



After the amendment

AUDIT COMMITTEE'S WORK REGULATIONS

Al-Jouf Cement Company



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شركة أسمنت الجوف
AL JOUF CEMENT COMPANY

AUDIT COMMITTEE'S WORK REGULATIONS
Al Jouf Cement Company

Regulation was issued by a resolution of the General Assembly of the company's shareholders held on (-----), corresponding to as amended by General Assembly Resolution dated corresponding to

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Article No. (1): Definitions

For the purpose of applying this Regulation, the following words and phrases shall have the meanings specified next thereto, unless otherwise required by the context.

Regulation:	: committee's work regulation
Governance Regulation:	Corporate Governance Regulations issued by the Board of the Capital Market Authority.
Company Governance Regulation:	Al Jouf Cement Company Governance Regulation.
The Company:	Al Jouf Cement Company and its subsidiaries
General Assembly:	General Assembly formed from the company's shareholders in accordance with the provisions of the Companies Law and the Company's Articles of Association.
Board of Directors (Board):	Board of Directors of Al-Jouf Cement Company.
The Committee:	: Committee of Al Jouf Cement Company
Executive Management/ Senior Executives:	Includes the Chief Executive Officer of the company, along with the other members of the executive management team of the company, including (Deputy CEOs, Senior vice-presidents, and heads of subsidiaries).
Executive Director:	Board member who is engaged full-time in the executive management of the company and participates in its daily business.
Non-executive Director:	Board member who is not fully engaged in the management of the company and does not participate in the day-to-day business.
Independent Director:	Non-executive board member who enjoys complete independence in his/her position and decisions, and is not subject to any independence criteria as specified in the Corporate Governance Regulations.
Auditor:	: company's auditor appointed by the company's general assembly.
Internal Auditor:	: company's internal Auditor.
Stakeholders:	Anyone who has an interest with the company, such as employees, creditors, customers, suppliers, the community, the competent authorities, and legislators.
Invitees:	Person invited to attend a meeting of the committee other than its members.

Article No. (2): Regulation objectives

This regulation aims to clarify the controls and procedures of the committee's work and tasks, the rules for selecting its members, and the term of their membership. The regulation clarifies the general procedures that the Board establishes to ensure the definition of the committee's tasks, duration of its work, and the powers granted to it during its term, as well as how the Board of Directors supervises it.

Article No. (3): Purpose and Reporting to

- The audit committee assists the Board of Directors in performing its duties and carrying out its responsibilities related to its competencies and tasks as specified in this regulation or referred to by the Board of Directors. The audit committee shall report to the Board of Directors. It is responsible before the Board and the shareholders for verifying the adequacy of the internal control system and its effective implementation, and providing any recommendations to the Board of Directors that would activate and develop the internal control system.
- The committee shall transparently report to the Board of Directors on the results and decisions it reaches, and regularly present its minutes containing its work results and any reports issued thereby to the Board of Directors for decision-making. The Board of Directors shall regularly follow up with the committee to verify the performance of the tasks entrusted thereto.
- The audit committee should conduct an annual assessment of its performance and effectiveness, and submit a report including its recommendations to the Board of Directors for any appropriate amendments to the audit regulation.

4. The Committee shall be responsible for its work before the Board of Directors, without prejudice to the responsibility of the Board for such work and for the powers or powers it has delegated to the Committee.

Article No. (4): Committee organization

1. Committee Formation and Membership Terms

The Committee shall be formed by a decision of the Board of Directors, and the number of the members of the Committee may not be less than three members and not more than five members.

- A. The General Assembly of the company, based on a proposal from the Board of Directors, shall issue a regulation for the audit committee, which includes the committee's work procedures and tasks, as well as the rules for selecting its members, how to nominate and the duration of their membership, and the mechanism for appointing its members temporarily in case of a vacancy in one of the committee's seats.
- B. A member of the committee may be a member of the Board of Directors, a shareholder of the company, or others, provided that at least one of the members is an independent member.
- C. Members of the audit committee shall be nominated based on a recommendation from the Board of Directors.
- D. The Nomination and Remuneration Committee is responsible for reviewing applications submitted by candidates, studying them, and making recommendations to the Board of Directors to select the final list.
- E. The committee member shall not be an executive member of the Board of Directors, and it is not permissible for anyone who has worked or was working during the past two years in the company's executive or financial management, or with the company's auditors, or who works in a technical or administrative capacity in the company, even as an advisor, to be a member of this committee.
- F. The member of the committee shall have a reasonable knowledge of the financial and accounting rules, and it is preferred to have appropriate educational qualification in this field.
- G. The company shall notify CMA of the names of the committee members and their membership descriptions within five working days from the date of their appointment, and any changes that occur within five working days from the date of the changes.

2. Chairman of the Committee

- A. The committee shall select a chairman from its members.
- B. The chairman of the audit committee shall be an independent member - if possible.
- C. The chairman shall perform the following duties:

- Organizing committee meetings, and reviewing all information and documents necessary to carry out its responsibilities
- Managing committee meetings and working to enhance their effectiveness.
- Calling for the committee meetings, specifying the time, date and location of the meeting, after coordination with the committee members.
- Approving the agenda, taking into account the topics that a member of the committee wishes to include.
- Ensuring that the issues presented to the committee are accompanied by sufficient information that enables the committee to make decisions regarding them.
- Ensuring that sufficient time is sufficient to discuss the items on the agenda of the committee meeting.

- Enhancing the effective participation of members in the committee's meetings by studying and discussing the issues on the agenda of its meetings and expressing their opinions in a way that contributes to achieving the committee's objectives.
- Ensuring the availability of complete and correct information for the committee members in a timely manner to enable them to perform their duties.
- Approving periodic reports on the committee's activities and submitting its recommendations and work findings to the Board of Directors.
- Follow up on the implementation of the decisions issued by the committee.
- Approving the necessary arrangements to conduct periodic evaluation of the committee's performance

- D. The chairman of the committee or his delegate from the committee's members shall attend the meetings of the general assemblies to answer shareholders' questions and represent the committee before the board of directors.

3. Committee secretary

The committee shall appoint at its first meeting a secretary who may be a member of the committee or an employee of the company.

- A. The committee secretary is responsible for coordinating the committee's meeting schedules annually, documenting the committee meetings and preparing minutes thereof which include the discussions and deliberations held, as well as the location, date, start and end time of the meeting. It shall also document the committee's decisions and voting results, and be kept in a special and organized record. The names of the present members and any objections they may have made, if any, should be recorded, and the minutes should be signed by all present members.
- B. The committee secretary shall provide the committee members with the committee agenda, working papers, documents and information related thereto, and any additional documents or information requested by any of the committee members related to the topics included in the meeting agenda according to the periods specified in these regulations.
- C. The committee secretary is responsible for submitting regular reports and minutes regarding the committee's activities and work to the Board of Directors, as well as performing all other tasks that may be assigned to him/her by the committee.
- D. The committee secretary is not entitled to participate in or vote on any of the committee's decisions.

4. Invitees to committee meetings

No member of the Board of Directors or executive management is entitled to attend meetings of the Audit Committee unless the Committee requests to hear his opinion or obtain his advice.

5. Confidentiality of the committee's work

The committee members and other invited persons shall maintain the confidentiality of the information they have access to or made available thereto, and in no case should they disclose it to any individual or entity unless authorized to do so by the Board of Directors. They should not use any of this information to achieve personal gain for themselves, their relatives, or others. The company has the right to demand compensation in case of a violation of this provision, and this also applies to the committee secretary.

6. Term of the committee

The committee's term of office begins on the date of the Board of Directors' decision to form it and ends with the end of the Board's term that recommended its formation, or until a decision is issued by the Board to terminate or re-form the committee. In addition, the expiration of the Board's term of office or its dissolution for any reason ends the committee's term, and it must be re-formed.

Expiration of the committee members services

a. The membership of a committee member ends with the expiry of its term or in any of the following cases:

- Death
- Resignation without prejudice to the company's right to compensation in the event that the resignation occurred at an inappropriate time
- The member's absence from attending three committee meetings per year without prior permission from the committee chairman or an excuse accepted by the committee.
- Loss of one or more membership conditions.
- Expiration of the board of directors' term.
- Inability of the member from a health point of view to complete his duties in the committee.
- The issuance of a court ruling declaring the member's bankruptcy or insolvency, or his request for a settlement with his creditors.
- Conviction of committing a crime, breach of honor and trust, or forgery

b. The board - to dismiss or replace any of the committee members at any time it deems appropriate

c. Any member of the committee may resign from the committee by submitting a written notice to the Chairman of the Board of Directors with a copy to the committee chairman. The resignation will be effective from the date the Chairman of the Board approves the resignation or at any later date as determined by the Chairman of the Board.

d. The Board of Directors has the right to nominate an alternate member to fill the vacant position. The new member will complete the remaining term, taking into account the conditions required for committee membership.

7. Rewards and allowances of committee members

Without prejudice to the relevant legal requirements and the company's articles of association, the remuneration of committee members will be in accordance with the remuneration policy for members of the Board of Directors, its committees, and the executive management approved by the company's general assembly.

8. Committee Meetings

a. Call for a meeting

- The committee meets regularly upon the invitation of its chairman, provided that its meetings do not fall below four meetings during the company's fiscal year. A committee member is considered to have resigned if he fails, without an acceptable excuse, to attend committee meetings for more than three sessions.
- The committee meets regularly with the company's external auditors and internal auditors. The internal and external auditors may also request a meeting with the committee whenever the need arises.
- The Committee shall hold all its meetings at the company's head office or in any other place agreed upon by the members of the Committee.
- The committee secretary shall send the meeting invitation to each committee member at least seven days before the meeting date, specifying the time, date, and location of the meeting, along with the agenda and necessary documents and information, unless the meeting is urgently required (unscheduled). In this case, the invitation to

the meeting, along with the agenda and necessary documents and information, may be sent within a period of no less than five days before the meeting date or as agreed upon by the committee chairman and members.

B. Meeting agenda

- The committee secretary, in coordination with the committee chairman and the executive management, prepares the agenda for the committee meeting, and schedules the topics for discussion according to their importance and priorities, provided that they are reviewed and approved by the committee chairman before being distributed to the members.
- Once convened, the committee approves its agenda, and if any member objects to this agenda, this must be recorded in the minutes of the committee meeting. Each member of the committee has the right to propose adding any item to the agenda.

C. Quorum of attendance and voting

- The meeting of the Committee shall not be valid unless attended by the majority of the members at least, including the Chairman or his deputy in his absence.
- A committee member may authorize another member to attend the committee meeting on his behalf or to vote on his behalf in the meetings.
- The committee's decisions are issued by a majority of the opinions of the attending members. In case of a tie, the side with the committee chairperson's vote will prevail.
- If a committee member is unable to attend the meeting in person, he may use any available means of communication to attend the committee meeting. In all cases, this must be documented in the meeting minutes.

D. Approval of meeting minutes and decisions

- The committee secretary sends a draft of the meeting minutes to the committee chairman and members within five working days from the date of the meeting for their review and to provide any comments they may have, if any.
- Any committee member may object to any decision made by the committee, provided that he states the reasons that led him to object. If any member leaves the committee meeting before its conclusion, his objection, if any, will be limited to the decisions related to the items that were discussed while he was present. The meeting minutes will record his desire to include any items that were not discussed, if he expresses a desire to do so in writing.
- The committee secretary incorporates any amendments to the initial draft based on feedback from committee members on the meeting minutes. The revised draft is sent to the members within two working days from the date of receiving the feedback after being reviewed by the committee chairman.
- The committee secretary shall prepare the minutes in their final form and the minutes are considered official as soon as they are signed by all the attending members and the committee secretary. The committee secretary sends the approved and attested minutes to the committee members as soon as they are signed.
- The committee follows up on the implementation of its decisions and any other topics discussed in previous meetings. The committee secretary, in coordination with the executive management, submits a periodic report to the committee on the results of implementing its decisions.
- The committee's discussions and decisions shall be recorded in minutes that are signed by all members, including the chairman and the committee secretary. These minutes are documented in a specific register.

E. Studying topics

The committee shall study the topics within the scope of its competence or being referred thereto by the board of directors. It submits its recommendations to the board for decision-making, or it makes decisions if it has been delegated the

<p>authority to do so by the board. However, the board's delegation to the committee should not be a general or indefinite delegation.</p>
<p>8. Resources and sources of information</p>
<ul style="list-style-type: none"> - The committee shall be entitled to access all the resources and information necessary for it, and review the company's records and documents to enable it to perform its functions, tasks and responsibilities to the fullest.
<ul style="list-style-type: none"> - The committee shall be entitled to investigate everything that falls under its powers and competencies, as well as the matters entrusted to it.
<ul style="list-style-type: none"> - The committee may request any clarification or explanation from the members of the Board of Directors or the executive management.
<ul style="list-style-type: none"> - The committee is authorized to seek assistance from anyone it deems necessary, whether it is the chairman of the board, board members, the managing director, the executive management, employees of the company, or any consultancy offices engaged to the company by means of agreements. The committee may also commission or seek the assistance of experts or specialized consulting entities for the purpose of obtaining advice, assistance, or guidance, conducting studies, audits, investigations, or examining records on any matter within its scope of work according to these regulations or pursuant to the law. The committee shall ensure that this is documented in the committee meeting minutes, including the name of the expert and their relationship with the company or the executive management. The committee shall submit a recommendation for their remuneration to the Board of Directors for approval, and the Board may authorize it to do so, provided that this is included in the minutes of the committee meeting, indicating the name of the expert or consultant and his relationship with the company or the executive management.
<ul style="list-style-type: none"> - The committee may request that the board of directors call for a general assembly meeting if the committee's work is hindered or if it is unable to obtain the necessary data and information, or if the company has suffered significant damages or losses.
<p>9. Duties of a committee member</p>
<ul style="list-style-type: none"> - Comply with the provisions of the Companies Law, the Capital Market Law, their implementing regulations, the relevant laws, and the company's articles of association when exercising his duties, and refrain from doing or participating in any action that would harm the company's interests.
<ul style="list-style-type: none"> - Preserving the secrets of the company, and a member of the committee may not disclose to the shareholders or third parties the information, data, or secrets of the company or its employees, because of his membership in the committee. It is the responsibility of the board of directors to recommend the removal of the committee member, in addition to holding him accountable for any damages that may result from such removal to the company, employees or advisors.
<ul style="list-style-type: none"> - To be aware of the tasks and responsibilities of the committee and to dedicate sufficient time to play his role in achieving them.
<ul style="list-style-type: none"> - Carrying out his duties away from any external influence, whether from inside or outside the company, and not to put his personal interests ahead of the interests of the company.
<ul style="list-style-type: none"> - Refrain from accepting gifts from anyone who has business dealings with the company.
<ul style="list-style-type: none"> - Effective participation in the committee meetings by studying and discussing the topics on the agenda of its meetings.
<ul style="list-style-type: none"> - Making an effort to know the organizational developments in the fields and topics related to the committee's tasks and responsibilities.
<ul style="list-style-type: none"> - Make every effort to know all developments in the field of the company's activities, business and other related fields.
<ul style="list-style-type: none"> - Committee members shall adhere to principles of honesty, integrity, loyalty, care, and attention to the interests of the company and its shareholders. They shall prioritize the company's interests over their personal interests and comply with the company's policies on confidential information and conflict of interest.

-	To disclose to the committee or the board of directors if his membership does not comply with the terms and conditions of membership in these regulations or in any other regulations, or if something that conflicts with those conditions and controls will occur in the future.
Article No. (5): The committee's functions, tasks and responsibilities	
The Audit Committee monitors the Company's business and verifies the integrity of reports, financial statements and internal control regulations. The Committee's duties include:	
A. Financial reports:	
1.	Studying the initial and annual financial statements of the company before being submitted to the Board of Directors to express its opinion and give recommendation about them to ensure their integrity, fairness and transparency
2.	Providing a technical opinion upon the request of the Board of Directors on whether the report of the Board of Directors and the financial statements of the company is fair, balanced and understandable and includes information that allows shareholders and investors to evaluate the financial position of the company, its performance, business model and strategy.
3.	Examine any important or unfamiliar issues included in the financial reports.
4.	Carefully researching any issues raised by the company's financial manager, whoever assumes his duties, the company's compliance officer, or the auditor.
5.	Verify the accounting estimates in the fundamental issues mentioned in the financial reports
6.	Studying the accounting and financial policies followed in the company and expressing an opinion and recommendation to the Board of Directors in this regard.
B. Internal audit:	
1.	Study and review the company's internal, financial and risk management regulations
2.	Study the internal audit reports and follow up the implementation of corrective measures for the observations contained therein
3.	Control and supervise the performance and activities of the internal auditor and the internal audit department in the company - if any - to verify the availability of the necessary resources and their effectiveness in performing the work and tasks entrusted to them.
4.	Recommending to the Board of Directors to appoint a director of an internal audit unit or department or the internal auditor
C. Auditor:	
1.	Recommend to the Board of Directors the nomination and removal of auditors, as well as setting their fees and evaluating their performance, after verifying their independence and reviewing the scope of their work and the terms of their contracts
2.	Verifying the auditor's independence, objectivity and fairness, and the effectiveness of the audit work, taking into account the relevant rules and standards
3.	Reviewing the company's auditor's plan and his work, ensuring that he has not submitted technical or administrative works that are outside the scope of the audit work, and expressing its views on that.
4.	Answer the inquiries of the company's auditor.
5.	Study the auditor's report and his notes on the financial statements and follow up on what has been taken in their regard.
D. Compliance guarantee:	
1.	Review the results of the reports of the regulatory authorities and verify that the company has taken the necessary actions in this regard
2.	Verify the company's compliance with the relevant laws, regulations, policies and instructions

3.	Reviewing contracts and transactions proposed to be conducted by the Company with related, parties, and submitting its comments thereon to the Board of Directors.
4.	Raise the issues it deems necessary to take action in their regard to the Board of Directors, and make recommendations on the measures to be taken.
Article No. (6): Audit Committee's Report:	
1.	The audit committee report shall include details of its performance, terms of reference and duties, including its recommendations and opinions on the adequacy of the company's internal and financial control, and risk management systems.
2.	The board of directors shall deposit sufficient copies of the report of the audit committee at the company's main office and publish the same on the company's website and the market's website when the invitation to convene the general assembly is published, To enable any shareholder who wishes to obtain a copy thereof. A summary of the audit committee report should be presented during the general assembly meeting.
Article No. (7): Conflict of Interest	
1.	Members of the committee shall avoid situations that could lead to a conflict of interest with the company. Conflict of interest refers to a direct or indirect interest of any member in a matter listed on the committee's agenda, and which could affect (or be perceived to affect) the independence of the member's professional opinion.
2.	If a member has any conflict of interest with one of the topics listed on the committee's agenda, he shall disclose such conflict before starting discussion on the topic. The conflict of interest shall be documented in the meeting minutes, and the member shall refrain from participating in the discussion or voting on the matter related to the conflict of interest.
3.	A committee member is not permitted to have a direct or indirect interest in contracts or business conducted on behalf of the company, unless he obtains a permission from the general assembly or the board of directors, provided that the license issued by the board of directors is in accordance with the guidelines and procedures set by the general assembly.
4.	He may not participate in any business that would compete with the company, or compete with the company in any of its business branches, unless he/she obtains a license from the ordinary general assembly.
5.	If a committee member fails to disclose his interest in the contracts and business that are carried out for the company's account, whether before his appointment as a member of the committee or during his membership, the company may claim before the competent judicial authority the invalidation of the contract and compensation, or oblige the member to pay any profit or benefit gained from such contract or business.
6.	If a committee member fails to disclose his participation in any business that would compete with the company, or if he competes with the company in any of its business activities, the company may claim compensation from him before the competent judicial authority.
7.	A committee member may not directly or indirectly exploit or benefit from any of the company's assets or information, or investment opportunities that are under consideration, even if the decision is made not to pursue them. The member is also prohibited from benefiting from these investment opportunities even after his membership ends.
8.	If it is proven that a committee member has benefited from investment opportunities, the company or any interested party may claim before the competent judicial authority to nullify any action or profit or benefit gained from that investment opportunity. The company is also entitled to claim appropriate compensation.
Article No. (8): Mechanism for submitting notes and reporting violations	
1.	The Audit Committee shall propose a list of policies and procedures and establish a mechanism that allows the company's employees and stakeholders to report any practices or violations and submit their observations regarding any irregularities in the financial reports or other abuses in strict confidentiality while providing them with the necessary protection.
2.	The committee shall verify the implementation of this mechanism by conducting an independent investigation commensurate with the extent of the error or irregularity, and identify appropriate follow-up procedures.

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| 3. | The committee shall inform the board of directors of any actions or practices by the executive management that violate regulations, rules, or policies, or raise suspicion about the accuracy of financial statements, internal control systems, or other matters. The committee should also conduct the necessary investigation into these matters. |
| 4. | The committee shall assign a specialized person to receive and deal with complaints or stakeholder reports, and allocate a phone or e-mail to receive complaints. |

Article No. (9): Conflict between the Audit Committee and the Board of Directors

If a conflict arises between the recommendations of the audit committee and the decisions of the board of directors, or if the board of directors rejects the committee's recommendation regarding the appointment, removal, determination of fees, and evaluation of the performance of the auditor or internal auditor, the board of directors shall include in its report the committee's recommendation and its justifications, as well as the reasons for not accepting them.

Article No. (10): General Provisions

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| 1. | The Board of Directors follows up the work of this committee regularly to verify its performance of the tasks assigned thereto. |
| 2. | This regulation shall be deemed effective from the date of its approval by the general assembly and can only be amended with the approval of the general assembly. |
| 3. | This regulation is complementary to the company's articles of association, the company's governance regulation, and the company's approved policies that pertain to the board of directors and its committees. |
| 4. | Everything that is not explicitly addressed in this regulation shall be subject to the relevant regulations and rules issued by the competent authorities. |
| 5. | These regulations shall replace and supersede all procedures, decisions and internal regulations of the company that contradict therewith. |
| 6. | This regulation can only be amended upon a recommendation by the board of directors that is presented to the general assembly for approval. |
| 7. | The board of directors is responsible for overseeing the implementation of this regulation, and the chairman and members of the audit committee are responsible for implementing its provisions. The Board of Directors has the right to interpret or clarify the provisions of these regulations. |
| 8. | The company may publish these regulations or a summary thereof on its website or through any other means. |
| 9. | Any shareholder has the right to access this regulation by coordinating with the company's management to review it in the company's offices if it is not published on the company's website. |
| 10. | The board of directors is responsible for reviewing this regulation as needed to facilitate continuous development and improvement and to keep up with any changes that may occur in the system to achieve the best professional practices. |

REMUNERATIONS AND NOMINATIONS COMMITTEE'S WORK REGULATIONS

Al-Jouf Cement Company



رؤية
VISION 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

شركة أسمنت الجوف
AL JOUF CEMENT COMPANY



REMUNERATIONS AND NOMINATIONS COMMITTEE'S WORK REGULATIONS

Al Jouf Cement Company

This Regulation was issued by a resolution of the General Assembly of the company's shareholders held on (-----), corresponding to as amended by General Assembly Resolution dated corresponding to



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Article No. (11): Final Provisions (Publication and Amendment)

ARTICLE NO. (1): DEFINITIONS

For the purpose of applying this Regulation, the following words and phrases shall have the meanings specified next thereto, unless otherwise required by the context.

Regulation:	Remunerations and Nominations Committee's Work Regulations
Governance Regulation:	Corporate Governance Regulations issued by the Board of the Capital Market Authority.
Company Governance Regulation:	Al Jouf Cement Company Governance Regulation.
Articles of Association (AOA):	Articles of Association of Al-Jouf Cement Company
Tadawul:	Saudi Stock Exchange Company
CMA:	Capital Market Authority.
The Company:	Al Jouf Cement Company, and subsidiaries
General Assembly:	An assembly formed from the company's shareholders in accordance with the provisions of the Companies Law and the Company's Articles of Association.
Board of Directors (Board):	The Board of Directors of Al-Jouf Cement Company.
The Committee:	Remunerations and Nominations Committee at Al-Jouf Cement Company.
Executive Management/ Senior Executives:	It includes the Chief Executive Officer of the company, along with the other members of the executive management team of the company, including (Deputy CEOs, Senior vice-presidents, and heads of subsidiaries).
Invitees:	Any person invited to attend a meeting of the committee other than its members.
Day:	In these Regulation, it means "calendar day"

Article No. (2): Regulation objectives

This regulation aims to clarify the controls and procedures of the committee's work and tasks, the rules for selecting its members, the term of their membership and their remunerations. The regulation clarifies the general procedures that the Board establishes to ensure the definition of the committee's tasks, duration of its work, and the powers granted to it during its term, as well as how the Board of Directors supervises it.



Article No. (3): Purpose and Reporting to	
5.	Remunerations and Nomination Committee assists the Board of Directors in performing its duties and carrying out its responsibilities related to its competencies and tasks as specified in this regulation or referred to by the Board of Directors. The Remunerations and Nomination Committee shall report to the Board of Directors and the General Assembly of shareholders. It is responsible before the Board and the shareholders for:
	<ul style="list-style-type: none"> • Supervising the rewards and incentives plan for the company's employees and following up on its implementation. • Supervising management succession plans for senior leaders at the company level. • Supervising the process of nomination for membership of the Board, committees and executive management of the company and ensure that such process is linked to performance. • Managing the process of evaluating the performance of board and committee members.
6.	The committee shall transparently report to the Board of Directors on the results and decisions it reaches, and regularly present its minutes containing its work results and any reports issued thereby to the Board of Directors for decision-making. The Board of Directors shall regularly follow up with the committee to verify the performance of the tasks entrusted thereto.
7.	The Remunerations and Nomination Committee should conduct an annual assessment of its performance and effectiveness, and submit a report including its recommendations to the Board of Directors for any appropriate amendments to the Committee regulation.
8.	The Committee shall be responsible for its work before the Board of Directors, without prejudice to the responsibility of the Board for such work and for the powers or powers it has delegated to the Committee.
Article No. (4): Committee members' selection rules, their nomination and terms of membership:	
1.	The Remuneration and Nominations Committee is formed based on a proposal from the Board of Directors for a period of four years starting with the beginning of the term of the Board of Directors. The committee's members term members ends with the end of the term of the Board of Directors of the company.
2.	The General Assembly of the company, based on a proposal from the Board of Directors, shall issue the Nominations Committee's work regulations, provided that this regulation includes the committee's work controls and procedures, its tasks, the rules for selecting its members, their membership term, and their remunerations.
3.	The committee shall consist of at least three members and no more than five members, provided that its members shall be non-executive directors of the board of directors. It is possible to appoint external experts to the committee, whether they are shareholders or not, provided that at least one member of the committee is an independent member of the company's board of directors.
4.	Members of the committee shall have the appropriate qualifications and experience for the committee's work and tasks, and shall adhere to the principles of honesty, integrity, loyalty, diligence, and care for the interests of the company and its shareholders, and to prioritize them over their personal interests. They must also comply with the company's policies and regulations regarding conflicts of interest and disclosure.
5.	The Board of Directors shall appoint one of its members as a Chairman of the Committee, provided that he is one of the independent members.
6.	Committee members shall have appropriate experience and qualifications relevant to the committee's tasks, responsibilities and nature of work.
7.	The Board of Directors shall be entitled to remove and/ or replace any and all members of the Committee at any time it deems appropriate. The Committee member may resign from the membership of the Committee, provided that resignation is at appropriate time.
8.	If a position of one of the committee members becomes vacant, the board of directors shall appoint a new member to fill the vacant position, provided that the new member has the necessary experience and qualifications. CMA shall be notified within the legal period from the date of the appointment or any changes that occur thereafter.
9.	The company shall inform CMA of the names of committee members and their membership descriptions upon appointment, as well as any changes that occur during the legal period specified by the Corporate Governance Regulations issued by CMA.
10.	The committee shall appoint a secretary. His remunerations shall be disbursed according to the remuneration list.


Article No. (5): Duties and powers of the committee

The committee shall undertake tasks and competencies related to remunerations and nominations. In addition, it is responsible for submitting reports on its activities to the Board on a regular basis. Duties and powers of the committee are as follows:

a) Regarding Remunerations

1. Preparing a clear policy for the remuneration of members of the Board of Directors, its committees, and the Executive Management that enhances the motivation of the administrative staff and retaining the distinguished personnel. The policy should be submitted to the board of directors for review before it is approved by the general assembly. The policy should consider performance-related criteria, disclosure, and ensure its implementation.
2. Clarify the relationship between the bonuses granted and the applicable remuneration policy, and indicate any material deviation from this policy
3. Periodic review of the remuneration policy, and evaluation of its effectiveness in achieving its objectives.
4. Recommending to the Board of Directors the remuneration of members of the Board of Directors, the committees emanating from it, and the senior executive officers of the company, in accordance with the approved policy
5. Reviewing and approving the recommendations of the Chief Executive Officer regarding general guidelines and criteria for financial remuneration and other benefits for senior executives, which the Chief Executive Officer implements in light of the followed policy mentioned in Paragraph (1) of (a) above.

b) Regarding Nominations

1. Proposing clear policies and standards for membership in the Board of Directors, executive management, and company representatives in subsidiaries.
2. Annual review of the necessary requirements of skills or experience for membership of the Board of Directors and executive management positions, and preparation of a description of the capabilities and qualifications required for membership of the Board of Directors and for occupying executive management positions, including determining the time that a member should dedicate for the work of the Board of Directors.
3. Reviewing the structure of the Board of Directors, committees and executive management and making recommendations regarding the changes that can be made.
4. Establishing job descriptions for executive members, non-executive members, independent members and senior executive officers
5. Developing special procedures in the event that there is a vacancy in the membership of the Board of Directors or senior executives
6. Determine the strengths and weaknesses of the Board of Directors, and propose solutions to address them in line with the company's interest, through:
 - A. Propose the necessary mechanisms to annually evaluate the performance of the Board of Directors, its members, committees, and executive management; This is done through appropriate performance indicators related to the extent to which the strategic objectives of the company are achieved, the quality of the risk management performance, the adequacy of the internal control systems, etc.
 - B. Assisting the Board in its responsibility in making the necessary arrangements to obtain an evaluation by a competent external party for its performance every four years and supervising the evaluation process
7. Reviewing the Board committees' remunerations and recommending any amendments regarding the same to the Board's approval. The committee may also submit its recommendations to the Board in the event that one of the Board committees' membership seats becomes vacant by appointing new members when needed.
8. Checking on an annual basis the independence of the independent members, and the absence of any conflict of interest if the member is a member of the Board of Directors of another company
9. Studying and reviewing the CEO's recommendations regarding the appointment and termination of senior executives.
10. Studying and reviewing management succession or job replacement plans for the company in general and for the board, CEO and senior executives in particular.



11. Provide an appropriate level of training and familiarization to new members of the Board and Committees about the company's tasks and achievements to enable them to perform their work with the required efficiency.
12. Developing the necessary mechanisms for the members of the Board of Directors and the executive management to obtain training programs and courses on an ongoing basis in order to develop their skills and knowledge in areas related to the company's activities.

c) Other duties and responsibilities

1. Assisting the Board of Directors in developing and reviewing the organizational structure of the company and the operational model that regulates the relationship between the company and its subsidiaries.
2. Monitoring the implementation of the employee grievance policy and ensuring its effectiveness.

Article No. (6): Main powers of the committee

1. Investigating any matter that falls within its terms of reference and duties, or any subject specifically requested by the Board.
2. Having the right to seek legal and technical advice from any external party or any other independent consulting body whenever necessary to assist the committee in performing its tasks.
3. The committee has the right to access all data, information, and records related to remunerations and benefits in the company, including reports on executive succession planning.
4. The company shall bear any costs necessary for the committee to carry out its work.

Article No. (7): Committee meetings, controls and procedures

1. The Committee meets 2 times a year. It may also hold extraordinary or emergency meetings as required by the business interest, based on an invitation from the Committee Chairman or two of its members.
2. Committee meetings shall be scheduled in advance - before the beginning of the year - on an annual basis for the entire year, within the annual schedule of meetings of the Company's Board of Directors, its subsidiary companies and sub-committees.
3. A committee member may participate in committee meetings by means of modern communication or conference call. His participation in this case is considered equivalent to physical attendance, in the event that he is unable to attend physically due to any urgent reason.
4. The legal quorum for the committee meeting is the presence of the majority of its members.
5. A committee member (present in person) may not represent more than one member in attending the same meeting.
6. In the event that the chairman of the committee is unable to attend, he has the right to authorize one of its members to chair that session.
7. The decisions of the committee are issued by the majority of the opinions of the members present, and when the votes are equal, the opinion voted for by the chairman of the committee shall prevail.
8. The agenda for the meeting, which is included in the invitation, is prepared in coordination with the committee chairman before the meeting.
9. The invitation to attend the meeting shall be sent by the committee chairman or the committee secretary if authorized by the chairman long enough before the date of the session. The necessary proposals and documents shall be sent before a sufficient period of the meeting date.
10. Only members of the committee are entitled to attend its meetings. However, non-members of the committee from the executive management team, managers, employees or observers can attend all or part of the meetings based on a request or invitation from the committee in order to provide it with the necessary information.
11. The committee secretary shall prepare a draft of the committee meeting minutes (including a statement of the names of present and absent members, as well as the discussions, deliberations, and decisions made). The minutes should be sent to the committee chairman and members within ten days of the meeting for review and expressing comments (if any) within seven days of the email sent. If no comments are received, it is considered an approval of the minutes. The committee chairman, secretary, and all present members shall sign the minutes, and it is permissible to sign them electronically if necessary. These minutes shall be kept among the important documents of the company.



12. The Board of Directors shall follow up on the work and performance of the committee through its chairman and through periodic reports submitted to the company's board of directors.

Article No. (8): Chairman of the Committee

1. The Chairman of the Committee shall not be the Chairman of the Board of Directors.
2. The Chairman of the Committee shall perform the following tasks:
 - a) Organizing committee meetings and working to activate their effectiveness.
 - b) calling the members of the committee to meet, determining the time, date and place of each meeting of the committee and approving the agenda
 - c) Ensuring that the issues presented to the committee are accompanied by sufficient information that enables the committee to make decisions regarding them.
 - d) Ensuring that sufficient time is sufficient to discuss the items on the agenda of the committee meeting.
 - e) Enhancing the effective participation of members in the committee's meetings by studying and discussing the issues on the agenda of its meetings and expressing their opinions in a way that contributes to achieving the committee's objectives.
 - f) Ensuring the availability of complete and correct information for the committee members in a timely manner to enable them to perform their duties.
 - g) Preparing periodic reports on the activities of the committee and presenting them to the committee in preparation for submitting the same to the board of directors.
 - h) Presenting the reports of the committee to the board of directors accompanied by recommendations - if any - for approval at the first regular meeting following the meeting of the committee, according to the request of the board of directors and according to what the committee chairman deems necessary.
 - i) Representing the committee before the Board of Directors and any other party that requires such representation.
 - j) Submitting the results of the committee's work and its recommendations to the Board of Directors.
 - k) Approving the necessary arrangements to conduct periodic evaluation of the committee's performance.

Article No. (8): Committee secretary

1. The committee selects a secretary from its members or from the company's employees, provided that he shall not have the right to vote on its decisions (if he is not a member).
2. The committee secretary shall be responsible for preparing the meetings and activities of the committee, preparing and documenting its minutes, following up on the implementation of its recommendations, directives and decisions, and communicating between its members and other administrative and logistical procedures.
3. The committee secretary shall provide the committee members with the committee agenda, work papers, documents, and information related to the meetings, as well as any additional information requested by the committee members.
4. The committee secretary shall submit periodic reports on the activities and work of the committee and the minutes of its meetings to the chairman and members of the committee.
5. Remuneration of the committee secretary shall be disbursed in accordance with the approved regulations.
6. The manager of Human Resources shall be appointed as the coordinator of the committee without having the right to vote on its decisions. His role is to prepare the documents related to the meetings, implement and monitor the committee's decisions regarding human resources and any other tasks assigned to him by the committee. He is also responsible for updating the committee on the level of implementation of its decisions and work in general at each meeting, and coordinating with the committee secretary to prepare the meeting agenda and related documents.

Article No. (9): Committee members' remuneration

1. Annual remunerations for the committee members are determined based on the policy established by the Board of Directors and in accordance with the company's articles of association, the decisions of the general assembly of shareholders, and the relevant laws and regulations.



2. Remunerations for committee members shall be a fixed amount plus attendance allowance for each meeting and any other benefits mentioned in the remuneration policy established by the board of directors for its members, committee members, and executive management. These remunerations shall be disbursed according to the guidelines and regulations outlined in the policy.
3. The company shall cover transportation, housing and any other expenses to enable the member to attend meetings and participate in the activities of the committee related to its tasks.

Article No. (10): General Provisions

1. The Board of Directors follows up the work of this committee regularly to verify its performance of the tasks assigned thereto.
2. This regulation shall be deemed effective from the date of its approval by the general assembly and can only be amended with the approval of the general assembly.
3. This regulation is complementary to the company's articles of association, the company's governance regulation, and the company's approved policies that pertain to the board of directors and its committees.
4. Everything that is not explicitly addressed in this regulation shall be subject to the relevant regulations and rules issued by the competent authorities.
5. These regulations shall replace and supersede all procedures, decisions and internal regulations of the company that contradict therewith.
6. This regulation can only be amended upon a recommendation by the board of directors that is presented to the general assembly for approval.
7. The Board of Directors supervises the implementation of the provisions of this regulation. The Board of Directors has the right to interpret or clarify the provisions of these regulations.
8. The company may publish these regulations or a summary thereof on its website or through any other means.
9. Any shareholder has the right to access this regulation by coordinating with the company's management to review it in the company's offices if it is not published on the company's website.
10. The board of directors is responsible for reviewing this regulation as needed to facilitate continuous development and improvement and to keep up with any changes that may occur in the system to achieve the best professional practices.

Article No. (11): Final Provisions (Publication and Amendment)

1. This regulation shall be implemented by the company from the date of its approval by the General Assembly of Shareholders, and it must be published on the company's website to enable shareholders, the public, and stakeholders to access it.
2. The content of this regulation shall be reviewed as needed based on a recommendation from the Board, provided that these amendments are submitted to the General Assembly of Shareholders for approval at its nearest meeting.