



اسمنت ينبع
Yanbu Cement

Audit Committee Regulation

شركة مساهمة سعودية
رأس المال (١,٥٧٥,٠٠٠,٠٠٠) ريال مدفوعة بالكامل
الإدارة العامة:
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س.ت. جدة: ٤٠٣٠٠٢١٣٦٧ | ينبع: ٤٧٠٠٠٠٠٢٣٣

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Saudi Joint Stock Company

Authorized Capital SR (1,575,000,000) Fully Paid

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C.R. Jeddah: 4030021367 | Yanbu: 4700000233



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Article Text Before Amendment	Article Text After Amendment	Notes
DEFINITIONS:	DEFINITIONS:	No Amendment
Company Act: refers to the Company Act issued by virtue of Royal Decree # (R/3) on 28.01.1437 and any subsequent amendments thereto.	Companies Law: refers to the Companies' Law issued by virtue of Royal Decree # (M/132) on 01.12.1443 and any subsequent amendments thereto.	Amending the Royal Decree number and its date.
Governance Regulations: refers to the governance regulation approved by the Capital Market Authority and any subsequent amendments thereto.	Corporate Governance Regulations: refers to the Corporate Governance Regulation issued by the Capital Market Authority and any subsequent amendments thereto.	Rephrase
The Authority: refers to the Capital Market Authority.	The Authority: refers to the Capital Market Authority.	No Amendment
CMA: Refers to Capital Market Authority	Delete	
The Company: refers to Yanbu Cement Co.	The Company: refers to Yanbu Cement Company	Rephrase
General Assembly: refers to General Assembly of Yanbu Cement Co.	General Assembly: refers to General Assembly of Yanbu Cement Company , which is formed from the company's shareholders under the provisions of the Companies Law and the Company's Articles of Association.	Rephrase
Board: refers to the Board of Directors of Yanbu Cement Co.	Board of Directors: refers to the Board of Directors of Yanbu Cement Company .	Rephrase
Executive Member: refers to a board member who works on full-time basis in the Company executive management and participates in the day-to-day business activities.	Executive Member: refers to a member of the Board who is a full-time member of the executive management team of the Company and participates in its daily activities.	Rephrase

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Non-executive Member: refers to a board member who does not work in the Company executive management and does not participate in the day-to-day business activities.	Non-executive Member: refers to a member of the Board who is not a full-time member of the management team of the Company and does not participate in its daily activities.	Rephrase
Independent Member: refers to a non-executive board member who enjoys complete independence in his position and decisions, and none of the independence aspects stipulated under Article (20) of the Governance Regulations apply to him.	Independent Member: refers to a non-executive member of the Board who enjoys complete independence in his/her position and decisions and none of the issues affecting independence stipulated in Corporate Governance Regulation apply to him/her	Rephrase
Committee: refers to the Audit Committee emanating from the Board of Directors of Yanbu Cement Co.	Committee: refers to the Audit Committee emanating from the Board of Directors of Yanbu Cement Company and formed by its resolution.	Rephrase according to Article 51 of Corporate Governance Regulation
	Secretary of the Audit Committee: The person responsible for organizing and managing the administrative and organizational work of the Audit Committee, including preparing agendas, recording and documenting minutes, keeping documents, and coordinating meetings. Acts as a liaison between the members of the Committee and other departments, in addition to following up the implementation of the Committee's decisions in accordance with the Audit Committee's regulations.	New Definition
Bylaw: refers to the committee's action bylaw	Regulation: refers to the committee's regulation.	Rephrase
Member: refers to Committee member	Member: refers to Committee member, collectively referred to as (Members).	Rephrase

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Article 1: Introduction	Article 1: Introduction	No Amendment
Having in place an effective internal audit system is considered one of the main responsibilities of the Board of Directors. The Audit Committee is one of the most important committees in the listed public joint-stock companies because of its effective role in the internal and external audit and the internal control processes. The main task of the audit committee is to verify adequacy of the internal control system and effective enforcement thereof, development of systems and plans relevant to such activities, follow-up on enforcement thereof and Company commitment and compliance with applicable regulations and standards. The Committee has also the right to submit recommendations to the Board of Directors to activate and further develop the audit systems to achieve the Company objectives and protect the interests of shareholders and investors.	The Board of Directors believes in the importance of an effective internal and external control system, the Board of Directors formed the Audit Committee. This Committee is a vital part of the corporate governance structure, contributing to enhancing transparency and accountability and improving the Company's overall performance through oversight of internal and external auditing and controls. The Committee has also the right to submit recommendations to the Board of Directors to activate and further develop the audit systems to achieve the Company objectives and protect the interests of shareholders and investors.	Rephrase

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Article2: Purpose of the Regulation	Article2: Purpose and Scope	Amendment of Article's Title
According to the Company Governance Regulation, the General Assembly shall approve the Audit Committee's action bylaw based on the recommendation of the Board of Directors. The bylaw clarifies work principles of the Audit Committee, the rules for its formation, selection of its members, their remuneration, the authorities, roles and responsibilities assigned thereto, in accordance with the Company Law and the Governance Regulations issued by the Capital Market Authority.	The General Assembly of the Company shall issue and approve - upon a recommendation from the Board of Directors - the Audit Committee's regulations, provided that the regulation include the rules and procedures of the Committee's work, the rules of its formation, its tasks, the rules for selecting its members, the method of nominating them, the duration of their membership, their remuneration, the authorities, roles and responsibilities assigned thereto, and the mechanism for appointing its members temporarily in the event of a vacancy in one of the Committee's seats, in accordance with the Companies Law and the Corporate Governance Regulations issued by the Capital Market Authority, in addition to the tasks and responsibilities of the Committee's Secretary.	Rephrase according to Article 51 paragraph (e) of Corporate Governance Regulation
Article 3: Objectives of Regulation	Delete	
In compliance with regulatory requirements and leading practices to ensure best practices in the area of governance, the Committee's Bylaw has been adopted to clarify the main functions of the Committee.		

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Article 4: Formation of the Committee	Article 3: Formation of the Committee	Amendment of Article's Title and Number
1. By a decision of the company's ordinary general assembly, the audit committee is formed from the shareholders or from others, provided that at least one of them is an independent member and does not include any of the members of the executive board of directors, and the number of members of the audit committee shall not be less than three and not more than five.	- By a resolution of the company's Board of Directors, the audit committee is formed from the shareholders or from others, provided that does not include any executive member of the board of directors, the number of committee members shall not be less than three and not more than five, and shall include one member specialized in financial and accounting affairs.	Rephrase
2. One of the committee members shall be (at least) specialized in financial and accounting affairs.	- The Chairman of the Board of Directors shall not be a member of the Audit Committee.	Rearrange the paragraph
3. The board of directors shall appoint a chairperson for the committee from among its members, and the secretary from among its members or others, in its first meeting.	- The members of the audit committee must include at least one independent member.	New Paragraph
4. It is not permissible for anyone who works or has been working during the past two years in the executive or financial management of the company or for the company's certified accountant to be a member of the audit committee.	- It is not permissible for anyone who works or has been working during the past two years in the executive or financial management of the company or for the company's external auditor to be a member of the audit committee.	Rephrase
5. The Chairman of the Board of Directors shall not be a member of the Audit Committee.	- A member of the audit committee shall not be a member of the audit committee of more than five listed joint stock companies at the same time.	Rearrange the paragraph

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New Paragraphs	- The Board of Directors shall appoint a Chairman of the Committee from among its members. The Committee shall appoint a Secretary from its members or others at its first meeting.	New Paragraph
	- The Company shall provide the Authority with the names of the Board's committee members and the nature of their memberships within five (5) business days of their appointment, and shall notify the Authority of any changes thereto within five (5) business days of their occurrence.	New Paragraph
	- The committee shall receive an annual remuneration and an attendance allowance for meetings as determined by the remuneration policy approved by the General Assembly.	New Paragraph

Article 5: Membership Criteria	Article 4: Membership Criteria	Renumber
1. Integrity, credibility, responsibility and honesty	- Perform duties with honesty, transparency, and integrity.	Rephrase
2. Having the highest ethical standards, as it is not permissible to choose or appoint someone who has been previously convicted of a crime involving breach of honor or trust.	- A member shall not have been convicted of any offense involving dishonor, breach of trust, or a violation of laws and regulations in the Kingdom of Saudi Arabia or any other jurisdiction.	Rephrase
3. Successful leadership experience	- The ability to lead and provide guidance, possessing the necessary leadership, technical, and administrative skills to make informed decisions relevant to the committee's works.	Rephrase
4. Administrative and practical acumen	Delete	

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5. The ability to devote the time necessary to fulfill the responsibilities dictated by his membership in the committee.	- The ability to devote the time necessary to fulfill the responsibilities dictated by his membership in the committee.	No Amendment
6. To have professional independence in performing the tasks assigned thereto objectively, impartially and in secrecy in a way that would enable him/her to have intellectual independence in all matters related to professional service.	- To have professional independence in performing the tasks assigned thereto objectively, impartially and in secrecy in a way that would enable him/her to have intellectual independence, and must avoid any relationships that may compromise their objectivity or independence when providing professional services.	Rephrase
7. Having successful and distinguished professional skills and experience that help in making important and sensitive decisions, provided that there is complementarity between the experiences of all members that serve the interests of the company.	- Having successful and distinguished professional skills and experience that help in making important and sensitive decisions, provided that there is complementarity between the experiences of all members that serve the interests of the company.	No Amendment
8. The ability to take into account the interests of the company, shareholders and stakeholders when making decisions.	- The ability to take into account the interests of the company, and all shareholders and stakeholders when making and submitting decisions when any conflict of interest occurs.	Rephrase
9. Not to have any conflicting interests, and to avoid any relationships that seem to make him lose his objectivity and independence when providing his professional services.	Delete	
10. Members of the committee shall review all the Company policies and procedures related to the performance of duties and responsibilities thereof, understand their obligations and act in accordance with them, and disclose the information and clarifications required by those policies.	- Members of the committee shall review all the Company policies and procedures related to the performance of duties and responsibilities thereof, understand their obligations and act in accordance with them, and disclose the information and clarifications required by those policies.	No Amendment

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Article 6: Term of Membership	Article 5: Committee's Membership	Amendment of Article's Title and Number
	- Membership's Term	Break down the article into separate Paragraphs
1. The term of membership of the committee chairman, members and secretary does not exceed the membership period of the council session.	The term of the committee members and its secretary shall commence with the start of the company's Board of Directors' term and shall conclude upon the expiration of the Board's term. The Board of Directors may reappoint them.	Rephrase
2. The members of the committee may be re-elected. The general assembly has the power to dismiss all or any of the members of the committee at any time without prejudice to the dismissed member's right to compensation if the dismissal took place for an unlawful reason or at any inappropriate time.	Delete	According to Paragraph (e) of Article 51 of the Corporate Governance Regulations.
3. If the position of one of the members of the committee becomes vacant, the Board of Directors may appoint whoever it deems appropriate as a temporary member of the vacant position, provided that he is of those with experience and sufficiency, and the company shall inform the Authority and the competent authorities within five working days of that appointment, and this appointment shall be presented to the General Assembly Ordinary at its first meeting to approve it, and the new member completes the term of his predecessor.	The paragraph has transferred to article 6 with text amendment.	Delete according to Paragraph (e) of Article 51 of the Corporate Governance Regulations.

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Merging Article 7 with Article 5 with text amendment.	- Termination of Membership	New Paragraph
	The membership of the Audit Committee shall terminate in any of the following cases:	Rephrase
	- The end of the term of the Board of Directors.	No Amendment
	- If a committee member submits their resignation, they must notify the committee chairman and its secretary. The resignation shall take effect from the date specified in the notice unless a later effective date is indicated. This shall be without prejudice to the company's right to seek compensation if the resignation occurs at an inappropriate time without a legitimate excuse accepted by the Board of Directors.	Rephrase
	A member's illness or physical disability that prevents them from performing the committee's duties or in the event of demise.	Rephrase
	- A resolution issued by the Board of Directors to dismiss all or any of the committee members at any time if the dismissal is due to the member's misuse of their position in the committee or misconduct deemed by the Board to be detrimental to the company's objectives and reputation in general, and to the committee in particular. This shall be without prejudice to the dismissed member's right to compensation if the dismissal occurs without a legitimate cause or at an inappropriate time.	Rephrase
	- The loss, at any time, of any of the membership requirements stipulated by law or under this regulation.	New Paragraph

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<p>Merging Article 7 with Article 5 with text amendment.</p>	<p>- Other reasons determined by the Board of Directors, without prejudice to the member's right to claim compensation if the termination of membership occurs without a justifiable cause.</p>	<p>Rephrase</p>
	<p>- The termination of any Audit Committee member's membership shall not invalidate any actions previously taken by the committee, except to the extent required by law or deemed necessary to meet any regulatory standards.</p>	<p>Rephrase</p>
<p>Article 7: Termination of Membership</p> <p>A committee member performs his role and responsibilities from the date of his appointment. The following are examples of some cases that lead to termination of membership:</p> <ul style="list-style-type: none"> - The end of the term of the Board of Directors. - The committee member submits his resignation without prejudice to the right of the company to claim compensation if the resignation occurred at an inappropriate time without a reasonable excuse. - A member's illness or physical disability that prevents him from performing the committee's duties or in the event of his death - The issuance of a decision by the General Assembly ending his membership. - Other reasons decided by the General Assembly without prejudice to the member's right to claim compensation if membership termination occurred for an unacceptable reason. - Termination of Audit Committee Member(s) does not nullify any action(s) previously adopted by the Audit Committee except to the extent required by law or determined to be appropriate to meet any regulatory standards. 	<p>Merging Article 7 with Article 5 with text amendment.</p>	

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<p>Article 8: Disclosure of Interests</p> <p>It is not permissible for a member of the audit committee to have a direct or indirect interest in the business or contracts concluded in favor of the Company account/interest.</p>	Delete	
<p>The third paragraph of Article 6 has been separated and amended as follows.</p>	<p>Article 6: Vacant Position</p> <p>If a committee member's position becomes vacant, the Board of Directors may appoint a suitable temporary replacement, provided that the appointee possesses the required expertise and competence. The company must notify the Authority and the relevant regulatory bodies within five working days of the appointment or change.</p>	<p>Add numbering to the article after separation.</p> <p>The Article text after the rephrase and separation according to Paragraph (e) of Article 51 of the Corporate Governance Regulations.</p>
<p>Article 9: Functions of the Committee Chairman and Secretary</p> <p>Chairman of the Committee shall</p> <ul style="list-style-type: none"> - invite the Commission to convene after coordination with the members of the Committee - represent the Committee before the Board of Directors - review the agenda, with due consideration to the topics that any member wants to add - follow-up and implement the committee's decisions. - provide accurate information to the members of the Committee to enable them to perform their duties. - periodically evaluate the committee's performance - submit recommendations made by the Committee to the Board of Directors. 	Renumbering Article 9 as Article 17 with text amendment.	



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Secretary	
Duties and responsibilities of the Secretary include, but are not limited to, the following:	
- Scheduling meetings	
- Provide administrative and logistical support	
- Coordination with the Chairman of the Committee for the drafting of the agenda and minutes of meetings	
- Keep complete records of the meetings of the Committee	
- Circulate the Committee 's decisions on the parties concerned	
- Coordination with the concerned departments on the decisions that require compliance with the laws and take regulatory measures	
- Develop a mechanism to track the Commission 's decisions and follow - up	
- perform any other duties or responsibilities assigned by the Chairman of the Committee	
- Coordination with the Chairman of the Committee and the development of a proposal for the agenda	
- Secretary of the committee directs the invitation to attend and sends the meeting file and the necessary documents within a period of no less than five days from the date of the meeting	
- Preparation of minutes of the committee meeting and documentation of meetings	
- Keeping documents and records issued by the Commission	

Renumbering Article 9 as Article 17 with text amendment.

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Renumbering Article 27 as Article 7 with text amendment.	Article 7: Committee's Powers and Authorities	Amend Article Title and Renumber
	- The Board of Directors guarantees and ensures the following powers and rights to the Audit Committee:	Rephrase
	- The right of unrestricted access to management members, employees and related information deemed necessary for performance of its duties	No Amendment
	- Unrestricted access to records, data and reports	No Amendment
	- The right to communicate and obtain information from the third party	No Amendment
	- The right to request attendance of persons from higher management in the audit committee meetings	No Amendment
	- The right to request and receive any explanatory information it deems necessary to fulfill its responsibilities. The company's management and employees shall cooperate with the audit committee's requests.	No Amendment
	- The right to seek assistance of an independent advisory committee and / or other consultants according to what the committee deems necessary to perform its duties, as well as the right to obtain legal or professional advice necessary to fulfill its responsibilities	No Amendment
	- The right to request the Board of Directors to invite the company's general assembly to convene if the Board of Directors impedes its work or the company suffers heavy damage or losses.	No Amendment
Article 10: Meetings of Audit Committee Quorum	Merging both Articles 10 and 11 into Article 19 with text amendment.	
Meeting of the Committee may not be valid unless attended by majority of the committee members and the absent committee member may not delegate another member on his behalf.		

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Renumbering Article 14 as Article 8 with text amendment.	Article 8: Duties of the Committee	
	The Audit Committee supports the Board of Directors through:	No Amendment
	• Review effectiveness of risk management and control	No Amendment
	• Review financial statements	No Amendment
	• Supervising the company's internal audit activities and evaluating its performance. Assist in adhering to laws, regulations, standards and best professional practices.	Rephrase
	• Discussing relevant matters with the external auditor and other external parties	Adding Paragraph from Article 27
Article 11: Appointments	• Establish a mechanism permitting the Company staff to submit their comments on any financial breaches or other reports in confidence. The Committee shall verify the application of this mechanism by conducting an independent investigation commensurate with the magnitude of the error or omission and adopting appropriate follow-up procedures.	No Amendment
	- The Committee meets periodically so that the number of its meetings is not less than four in the fiscal year. Chairman of the Committee presides over all meetings. In his absence, the members present shall appoint a president to do so on his behalf.	Merging both Articles 10 and 11 into Article 19 with text amendment.
	- No person may attend committee meetings except upon an invitation from the committee chairman or one of its members.	Merging both Articles 10 and 11 into Article 19 with text amendment.

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- Representatives of the executive management can be invited to attend the audit committee meetings, and the invitation is made through coordination with the CEO	
- Members can attend through modern means of technology (remotely).	

Renumbering Article 15 as Article 9 with text amendment.	Article 9: Committee's Responsibilities	Renumber
	Audit Committee is responsible for ensuring effective foundations, rules and procedures for the following:	No Amendment
	• Risk management	No Amendment
	• Internal Controls and Methods	Rephrase
	• Responsibility towards the external parties	Rephrase
	• Compliance with binding laws and regulations as well as policies and procedures approved by the Company	No Amendment
	• Financial Management Systems, periodic and annual financial statements& reports	No Amendment
	• Third Party Review	No Amendment
	• Internal audit	No Amendment
	• Combating fraud	No Amendment
	• Business Continuity	No Amendment
	• Protection of Company assets and information security	Rephrase
	Members of the audit committee must not interfere in any executive work in the company, even though consulting.	No Amendment

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<p>Article 12: Decision Making</p> <ul style="list-style-type: none"> - Decisions and recommendations of the committee are issued by majority of its present members. In the event of equal votes, the side that voted with the committee chairman shall prevail. - Each member of the committee shall have one vote. 	Renumbering Article 12 as Article 21 without amending the text.	
<ul style="list-style-type: none"> - The committee's deliberations and decisions are recorded in minutes reviewed and signed by the committee chairman and members, and its secretary. 	Renumbering Article 12 as Article 21 without amending the text.	
<ul style="list-style-type: none"> - Committee chairs or whoever they delegate from among their members shall attend the general assemblies to answer shareholders' questions. 	Delete	
Renumbering Article 16 as Article 10 with text amendment.	Article 10: Reports and Financial Statements	Renumber
	The committee's responsibilities specifically include the following:	New Paragraph
	<ul style="list-style-type: none"> ▪ Study the Company's quarterly and annual financial statements before submitting them to the Board of Directors, and provide perspective and recommendations on their fairness, integrity and transparency 	No Amendment
	<ul style="list-style-type: none"> ▪ Provide a technical opinion upon the request of the Board of Directors regarding whether the report of the Board of Directors and the financial statements of the company is fair, balanced and understandable and contain information that allows shareholders and investors to evaluate the financial position, performance, business model and strategy of the company 	No Amendment

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Renumbering Article 16 as Article 10 with text amendment.	▪ Study any important or unusual matters included in the financial reports and statements	Rephrase
	▪ Carefully investigate the issues raised by the company's financial director, whoever assumes his duties, the company's compliance officer, or the company's external auditor	No Amendment
	▪ Studying and verifying accounting estimates related to significant and material matters in reports and financial statements.	Rephrase
	▪ Study accounting policies followed by the company and provide its opinion and recommendations to the Board of Directors regarding them.	Adding to the Paragraph

Article 13: Confidentiality of Information	Renumbering Article 13 as Article 26 with text amendment.	Renumber
1. Members shall maintain the confidentiality of information likely to be accessed by the same by virtue of membership. The member is not entitled to disclose or share such confidential information with the third party unless after having written approval from the Board.		Delete
2. Members shall not disclose to any other party any secrets related to the Company likely to be conversant with by virtue of membership, and the Member shall be solely responsible for such a breach.		Delete

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3. All discussions that take place during committee meetings are considered confidential, and a committee member shall maintain the confidentiality of this information.		No Amendment
4. If the subject under discussion is confidential, the secretary shall take the necessary measures to ensure that unauthorized persons are not conversant therewith.	Renumbering Article 13 as Article 26 with text amendment.	Delete
5. Data and confidential information circulating electronically are encrypted appropriately to protect it from hacking.		Delete
6. Each member shall be directly responsible for the data and information that fall at his disposal by virtue of his membership.		No Amendment
7. Committee documents and meeting minutes are confidential, and only authorized persons have access to them.		Rephrase
	Article 11: Internal Audit:	Renumber
Renumbering Article 17 as Article 11 with text amendment	The committee's responsibilities specifically include the following:	New Paragraph
	▪ Check and review the tools and systems of internal financial control of the company and risk management	No Amendment
	▪ Study the internal audit reports and following up on the implementation of corrective actions regarding the observations contained in these reports	Rephrase
	▪ Monitor and supervise the performance and activities of the internal auditor and the company's internal audit department, if any, to ensure the availability of financial and human resources necessary to achieve its effectiveness in performing the activities, duties and tasks assigned to it.	Rephrase according to Article 52, Section (B), Paragraph (3) of the Corporate Governance Regulations.
	▪ Submit a recommendation to the Board of Directors regarding the appointment of the Director of the internal audit unit or an internal auditor for the company and suggest his remuneration.	Rephrase

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Article 14: Duties of the Committee	
The Audit Committee supports the Board of Directors through:	
<ul style="list-style-type: none"> Review effectiveness of risk management and control 	
<ul style="list-style-type: none"> Review financial statements 	
<ul style="list-style-type: none"> Monitor and evaluate Company performance thru the internal audit department 	
<ul style="list-style-type: none"> Verify effectiveness of anti-fraud measures 	Delete
<ul style="list-style-type: none"> Assist in adhering to laws, regulations, standards and best professional practices 	
<ul style="list-style-type: none"> Establish a mechanism permitting the Company staff to submit their comments on any financial breaches or other reports in confidence. The Committee shall verify the application of this mechanism by conducting an independent investigation commensurate with the magnitude of the error or omission and adopting appropriate follow-up procedures. 	Renumbering Article 14 as Article 8 with text amendment



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Renumbering Article 18 as Article 12 with text amendment	Article 12: External Auditor	
	The committee's responsibilities specifically include the following:	New Paragraph
	<ul style="list-style-type: none"> Recommending to the Board of Directors the nomination or dismissal of external auditors, determining their remuneration, evaluating their performance after verifying their independence, and reviewing the scope of their work and contractual terms. 	Rephrase
	<ul style="list-style-type: none"> To verify the independence, objectivity and integrity of the external auditor and the effectiveness of the work and activities of the external audit, while observing the relevant rules and standards 	No Amendment
	<ul style="list-style-type: none"> Reviewing the plan of the Company's external auditor and its activities, and ensuring that it does not provide any technical, administrative or consulting works that are beyond its scope of work, and provides its opinion thereon; 	Rephrase according to Article 52, Section (C), Paragraph (3) of the Corporate Governance Regulations.
	<ul style="list-style-type: none"> Respond to the inquiries of the company's external auditor 	No Amendment
	<ul style="list-style-type: none"> Study and review the reports of the external auditor and his comments on the financial statements and reports and follow up on the actions taken in their regard. 	No Amendment

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Article 15: Responsibilities of the Committee:

Audit Committee is responsible for ensuring effective foundations, rules and procedures for the following:

- Risk management
- Internal Controls & Constraints
- Responsibility toward the third party
- Compliance with binding laws and regulations as well as policies and procedures approved by the Company
- Financial Management Systems, periodic and annual financial statements & reports
- Third Party Review
- Internal audit
- Combating fraud
- Business Continuity
- Protection of Company assets & information security
- **Members of the audit committee must not interfere in any executive work in the company, even though consulting.**

Renumbering Article 15 as Article 9 with text amendment



Renumbering Article 19 as Article 13 with text amendment	Article13: Internal Audit System:	Renumber
	• Monitor the Company business activities by supervising the control bodies and direct supervision of the internal audit unit or the internal auditor	No Amendment
	• Verify that the Company management effectively and efficiently applies the company's internal control system	No Amendment
	• Review the executive management reports related to the internal control system and its components, and express an opinion on them to the Board of Directors	No Amendment
	• Study the matters that the Board refers to the committee to require the committee to raise its recommendations to the Board about it in light of its oversight role.	Rephrase
Article 16: Reports and Financial Statements		
<ul style="list-style-type: none"> Study the Company's quarterly and annual financial statements before submitting them to the Board of Directors, and provide perspective and recommendations on their fairness, integrity and transparency Provide a technical opinion upon the request of the Board of Directors regarding whether the report of the Board of Directors and the financial statements of the company is fair, balanced and understandable and contain information that allows shareholders and investors to evaluate the financial position, performance, business model and strategy of the company. 	Renumbering Article 16 as Article 10 with text amendment	



<ul style="list-style-type: none"> Check any important or unusual matters included in the financial reports and statements 	<p>Renumbering Article 16 as Article 10 with text amendment</p>	
<ul style="list-style-type: none"> Carefully investigate the issues raised by the company's financial director whoever assumes his duties, the company's compliance officer, or the company's external auditor 		
<ul style="list-style-type: none"> Study financial estimates in relation to the important matters mentioned in the financial reports and statements 		
<ul style="list-style-type: none"> Study accounting policies followed by the company and submit. 		
<p>Renumbering Article 20 as Article 14 without text amendment</p>	<p>Article 14: Risk Management:</p>	<p>Renumber</p>
	<ul style="list-style-type: none"> Oversee and supervise development of a clear risk management strategy that commensurate with the nature and size of the company's activities prior to its approval by the Board, verifying its implementation, reviewing it and updating it based on the internal and external variables of the company 	<p>No Amendment</p>
	<ul style="list-style-type: none"> Determine and maintain an acceptable level of risks that the company may be exposed to, and verifying that the company does not exceed it 	<p>No Amendment</p>
	<ul style="list-style-type: none"> Verify the feasibility of the continuation of the company and its successful continuation of its success, with identifying the risks that threaten its continuation during the next twelve months 	<p>No Amendment</p>
	<ul style="list-style-type: none"> Supervise the company's risk management system and evaluating the effectiveness of the systems and mechanisms for identifying, measuring and following up the risks that the company may be exposed to, in order to determine its deficiencies 	<p>No Amendment</p>



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Renumbering Article 20 as Article 14 without text amendment	Periodically evaluates the company's ability to withstand risks and its exposure to them through reviewing specialized tests carried out by the executive management	No Amendment
	Verify the independence of the risk management personnel from the activities that may result in exposing the company to risks	No Amendment
	Prepare reports on exposure to risks and the proposed steps for managing these risks and submitting them to the Board of Directors	No Amendment
	Make recommendations to the Board of Directors on issues related to risk management	No Amendment
	Ensure that adequate resources and systems are in place to manage risks	No Amendment
	Verify that the risk management personnel understand the risks surrounding the company and work to increase awareness of the risk culture.	No Amendment

Article 17: Internal audit:	Renumbering Article 17 as Article 11 with text amendment
<ul style="list-style-type: none"> Check and review the tools and systems of internal financial control of the company and risk management. Analyze and study the internal audit reports and following up on the implementation of corrective actions regarding the observations contained in these reports. 	

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<ul style="list-style-type: none"> ▪ Monitor and supervise the performance and activities of the company's internal audit department, if any, to ensure the availability of human and material resources necessary to achieve its effectiveness in performing the activities, duties and tasks assigned to it. If the company does not have an internal auditor, the committee shall submit its recommendations to the board regarding the extent of the need to appoint him. 	<p>Renumbering Article 17 as Article 11 with text amendment</p>	
<ul style="list-style-type: none"> ▪ Submit a recommendation to the Board of Directors regarding the appointment of the head of the internal audit unit or an internal auditor for the company and suggest his remuneration 		
<p>Renumbering Article 21 as Article 15 with text amendment</p>	<p>Article 15: Ensuring Compliance:</p>	<p>Amend Article Title and Renumber</p>
	<ul style="list-style-type: none"> ▪ Review the results of the reports of the supervisory authorities or supervisory authorities (in the event that such reports exist) and ensure that the company has taken the necessary measures in this regard. 	<p>No Amendment</p>
	<ul style="list-style-type: none"> ▪ Verifying the company's compliance with applicable laws, regulations, policies, and relevant directives. 	<p>Rephrase</p>
	<ul style="list-style-type: none"> ▪ Review the contracts and transactions proposed to be conducted by the company with related parties and submit its recommendations to the Board of Directors in this regard 	<p>No Amendment</p>
	<ul style="list-style-type: none"> ▪ Notify the Board of Directors of any important matter(s) deemed necessary to take action and provide recommendations on the steps/actions that may be taken. 	<p>No Amendment</p>



Article 18: External Auditor:

- To provide the Board of Directors with recommendations and the nomination of external auditors to isolate them and determine their remuneration and evaluate their performance after verification of their independence and review the scope of their work and the terms of the contract with them
- To verify the independence, objectivity and integrity of the external auditor and the effectiveness of the work and activities of the external audit, while observing the relevant rules and standards
- To review the company's external auditor's plan and work and ensure that he does not submit any technical or administrative work that goes beyond the scope of the external audit work
- To respond to the inquiries of the company's external auditor
- To study and review the reports of the external auditor and his comments on the financial statements and reports, and follow up on the actions taken in their regard.

Renumbering Article 18 as Article 12 with text amendment



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Renumbering Article 22 as Article 16 without text amendment	Article 16: Fraud and Corruption Prevention:	Amend Article Title and Renumber
	▪ Oversee effectiveness of the executive management, the internal audit, and the external auditor in performing their responsibilities with regard to combating fraud and corruption.	No Amendment
	▪ Inquire the executive management and the external auditor on their assessment of the risks of material errors relating to fraud and corruption, including the nature and the extent and frequency of such assessments.	No Amendment
	▪ Inquire from the executive management, the internal audit, and the external auditor whether they noticed any cases of fraud or corruption, actual, suspected or alleged affecting the company, and how the company responded to those cases, including the fundamental changes that were introduced to the control environment of the company.	No Amendment
	▪ Obtain reports from the executive management, the internal audit and the external auditor about any fraud or corruption, whether material or not, that includes the management or employees who have a major role in the company's internal control system, and making appropriate recommendations to the Board.	No Amendment

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<p>Article 19: Internal Audit System:</p> <ul style="list-style-type: none"> ▪ To monitor the Company business activities by supervising the control bodies and direct supervision of the internal audit unit or the internal auditor ▪ To verify that the Company management effectively and efficiently applies the company's internal control system ▪ To review the executive management reports related to the internal control system and its components, and express an opinion on them to the Board of Directors ▪ To investigate the matters that the Board refers to the committee to require the committee to raise its recommendations to the Board about it in light of its oversight role. 	<p>Renumbering Article 19 as Article 13 with text amendment</p>	
<p>Renumbering Article 9 as Article 17 with text amendment</p>	<p>Article 17: Responsibilities of the Committee Chairman and Secretary</p>	<p>Amend Article Title and Renumber</p>
	<p>Responsibilities of the Committee Chairman:</p>	<p>New Paragraph</p>
	<p>- Representing the committee in Board of Directors meetings and General Assembly meetings to respond to shareholder inquiries related to the committee's activities.</p>	<p>Rephrase</p>
	<p>- Calling the committee to convene after coordinating with its members, with the support of the secretary.</p>	<p>New Paragraph</p>
	<p>- Managing and presiding over committee meetings while ensuring their effectiveness. In the event that the chairman is unable to attend, they may delegate one of the committee members to preside over the scheduled meeting.</p>	<p>New Paragraph</p>
	<p>- Preparing the agendas of committee meetings, taking into consideration any matters or topics proposed by any committee member.</p>	<p>New Paragraph</p>



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Renumbering Article 9 as Article 17 with text amendment	- Monitoring the implementation of the committee's decisions.	Rephrase
	- Ensuring that committee members receive the necessary presentations, documents, and sufficient information regarding the matters presented to them well in advance of the meeting, enabling them to make informed decisions.	New Paragraph
	- Making the necessary arrangements for the periodic evaluation of the committee's performance.	Rephrase
	- Ensuring the establishment of an annual work plan for the committee to guarantee the effective completion of its duties.	New Paragraph
	- Submitting periodic reports, with the support of the secretary, to the Board of Directors to follow up on the committee's activities, performance, recommendations, and findings.	New Paragraph

Renumbering Article 9 as Article 17 with text amendment	Responsibilities of the Secretary:	Rephrase
	The responsibilities of the Secretary include, but are not limited to, the following:	Rephrase
	- Coordinating committee meetings and preparing a proposed agenda in coordination with the committee chairman.	New Paragraph
	- Notifying committee members of meeting schedules and providing them with the agenda and necessary documents for reviewing the committee's meeting items.	New Paragraph
	- Attending and documenting committee meetings, preparing minutes that include discussions and deliberations, recording the meeting location, date, start and end times, documenting committee decisions and voting results, and maintaining them in a structured and organized record. The minutes shall also include the names of attending members and any reservations they may have expressed, if any. These minutes must be signed by the meeting chairman, all attending members, and the secretary.	New Paragraph

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Renumbering Article 9 as Article 17 with text amendment	- Circulate the Committee's decisions on the parties concerned	No Amendment
	- Coordination with the concerned departments on the decisions that require compliance with the laws and take regulatory measures	No Amendment
	- Develop a mechanism to track the Commission 's decisions and follow - up	No Amendment
	- Perform any other duties or responsibilities assigned by the Chairman of the Committee	No Amendment
	- The committee secretary shall issue invitations for attendance and send the meeting file along with the necessary documents at least five working days prior to the scheduled meeting.	Rephrase
Article 20: Risk Management: <ul style="list-style-type: none"> Oversee and supervise development of a clear risk management strategy that commensurate with the nature and size of the company's activities prior to its approval by the Board, verifying its implementation, reviewing it and updating it based on the internal and external variables of the company Determine and maintain an acceptable level of risks that the company may be exposed to, and verifying that the company does not exceed it Verify the feasibility of the continuation of the company and its successful continuation of its success, with identifying the risks that threaten its continuation during the next twelve months 		
Renumbering Article 20 as Article 14 without text amendment		

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<ul style="list-style-type: none"> Supervise the company's risk management system and evaluating the effectiveness of the systems and mechanisms for identifying, measuring and following up the risks that the company may be exposed to, in order to determine its deficiencies 	<p>Renumbering Article 20 as Article 14 without text amendment</p>
<ul style="list-style-type: none"> Periodically evaluates the company's ability to withstand risks and its exposure to them through reviewing specialized tests carried out by the executive management 	
<ul style="list-style-type: none"> Verify the independence of the risk management personnel from the activities that may result in exposing the company to risks 	
<ul style="list-style-type: none"> Prepare reports on exposure to risks and the proposed steps for managing these risks and submitting them to the Board of Directors 	
<ul style="list-style-type: none"> Make recommendations to the Board of Directors on issues related to risk management 	
<ul style="list-style-type: none"> Ensure that adequate resources and systems are in place to manage risks 	
<ul style="list-style-type: none"> Verify that the risk management personnel understand the risks surrounding the company and work to increase awareness of the risk culture. 	

Renumbering Article 30 as Article 18 with text amendment	Article 18: Duties of Members of the Committee:	Amend Article Title and Renumber
	<ul style="list-style-type: none"> Members of the Audit Committee are expected: To understand the relevant laws, codes and regulations affecting the company 	<p>No Amendment</p> <p>No Amendment</p>



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Renumbering Article 30 as Article 18 with text amendment	<ul style="list-style-type: none"> To allow the necessary time to understand, absorb and study the topics, documents and papers submitted to the committee for discussion and decision-making in the matter during the committee's meetings 	No Amendment
	<ul style="list-style-type: none"> To apply the best analytical, objective and decision-making skills 	No Amendment
	<ul style="list-style-type: none"> To express viewpoints frankly and raise questions about the core essence of basic issues 	No Amendment
	<ul style="list-style-type: none"> Maintaining the confidentiality of the information they receive or that they are aware of. 	No Amendment
	<ul style="list-style-type: none"> Complying with the provisions of the Audit Committee's regulation. 	New Paragraph

Article 21: Compliance	Renumbering Article 21 as Article 15 with text amendment
<ul style="list-style-type: none"> Review the results of the reports of the supervisory authorities or supervisory authorities (in the event that such reports exist) and ensure that the company has taken the necessary measures in this regard 	
<ul style="list-style-type: none"> Ensure that the company adheres to relevant laws, regulations, regulations, policies and instructions 	
<ul style="list-style-type: none"> Review the contracts and transactions proposed to be conducted by the company with related parties and submit its recommendations to the Board of Directors in this regard 	
<ul style="list-style-type: none"> Notify the Board of Directors of any important matter(s) deemed necessary to take action and provide recommendations on the steps/actions that may be taken. 	

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Merging both Articles 10 and 11 into Article 19 with text amendment.	Article 19: Committee Meetings and Quorum	Amending the article's and title and number after merging.
	- The Committee meets periodically so that the number of its meetings is not less than four in the fiscal year. Chairman of the Committee presides over all meetings. The committee chairman may appoint a deputy from among the committee members to represent them at meetings in their absence. If no deputy is appointed, the attending committee members shall elect a chairman for the meeting.	Rephrase
	- No member of the Board of Directors or executive management, except for the committee secretary and committee members, has the right to attend its meetings unless the committee requests to hear their opinion or seek their advice.	New Paragraph
	- The Audit Committee meets regularly with the company's external auditor and the internal auditor.	New Paragraph
	- The internal auditor and the external auditor may request a meeting with the Audit Committee whenever necessary.	New Paragraph
	- Members can attend through modern means of technology (remotely).	No Amendment
	- For the committee meetings to be valid, the attendance of the majority of committee members is required.	New Paragraph
	- A committee member who is absent may not delegate another member to represent them.	New Paragraph

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Article 22: Combating Fraud and Corruption:

- Oversee effectiveness of the executive management, the internal audit, and the external auditor in performing their responsibilities with regard to combating fraud and corruption.
- Inquire the executive management and the external auditor on their assessment of the risks of material errors relating to fraud and corruption, including the nature and the extent and frequency of such assessments.
- Inquire from the executive management, the internal audit, and the external auditor whether they noticed any cases of fraud or corruption, actual, suspected or alleged affecting the company, and how the company responded to those cases, including the fundamental changes that were introduced to the control environment of the company.
- Obtain reports from the executive management, the internal audit and the external auditor about any fraud or corruption, whether material or not, that includes the management or employees who have a major role in the company's internal control system, and making appropriate recommendations to the Board.

Renumbering Article 22 as Article 16 without text amendment

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Renumbering Article 25 as Article 20 with text amendment	Article 20: Documentation & Recording of the Audit Committee Meetings	Renumber
	- Determine the date and place of the meeting, the names of the attendees and absentees, and document a summary of the discussions that took place in the meeting and the relevant recommendations and decisions	No Amendment
	- A draft of the minutes shall be prepared by the secretary of the committee within five working days after each meeting, and it is sent to all committee members for review. Comments must be provided within five days of receiving the draft.	Rephrase
	- The committee secretary shall amend the minutes based on the comments received from the members.	Rephrase
	- The committee secretary prepares the final minutes and sends them to the chairman and committee members for signature.	New Paragraph
	- A signed copy of the minutes, along with the attachments, related documents and correspondence, shall be kept in a classified file.	No Amendment

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Article 23: Ensure that a mechanism is in place for both reporting and conducting independent investigations of fraud and corruption, and to evaluate and monitor the effectiveness of these mechanisms.	Delete
<ul style="list-style-type: none"> Follow up on material, financial, ethical or legal violations, and any serious violations of company policies, violation of legal provisions, or any violation of the code of conduct, which was highlighted by the Internal Audit Department or any other employee. 	
<ul style="list-style-type: none"> The audit committee is available at all times to receive suggestions, questions, or recommendations from the chartered accountant, the internal audit department, or the executive management. 	

Renumbering Article 12 as Article 21 without text amendment	Article 21: Decision Making	Renumber
	- Decisions and recommendations of the committee are issued by majority of its present members. In the event of equal votes, the side that voted with the committee chairman shall prevail.	No Amendment
	- Each member of the committee shall have one vote.	No Amendment
	- The committee's deliberations and decisions are recorded in minutes reviewed and signed by the committee chairman and members, and its secretary.	No Amendment



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<p>Article 24: Conflict between Audit Committee and the Board of Directors:</p>	<p>Renumbering Article 24 as Article 27 with text amendment</p>	
<p>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 refuses to implement the committee's recommendations regarding the appointment of the company's external auditor, his dismissal, the determination of his remuneration, the evaluation of his performance, or the appointment of the head of the group's internal audit, the board report shall include the committee's recommendations and justifications the reasons for not adopting these recommendations.</p>		
<p>Renumbering Article 26 as Article 22 without text amendment</p>	<p>Article 22: Arrangements for Providing Remarks</p>	<p>Amending the article's and title and number</p>
	<p>The audit committee shall adopt appropriate follow-up procedures and establish a mechanism that allows the company's employees to submit comments on any infringement of financial irregularities or any other reports in secrecy. The committee shall verify the application of this mechanism by conducting an independent investigation commensurate with the volume of irregularities or abuse.</p>	<p>No Amendment</p>

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Article 25: Documentation & Recording of the Audit Committee Meetings

1. Determine the date and place of the meeting, the names of the attendees and absentees, and document a summary of the discussions that took place in the meeting and the relevant recommendations and decisions

2. A draft of the minutes shall be prepared by the secretary of the committee within five working days after each meeting, and it is sent to all committee members for review, and comments are submitted by the committee members within five days from the date of receiving the draft

3. The secretary of the committee shall amend the minutes based on the comments of the members and send those comments to the committee chairman

4. The committee secretary prepares the final report according to the recommendations of the chairman and sends it to the committee members signed by the chairman and the committee secretary

5. A signed copy of the minutes, along with the attachments, related documents and correspondence, shall be kept in a classified file.

Renumbering Article 25 as Article 20 with text amendment

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Renumbering Article 29 as Article 23 with text amendment	Article 23: Submitting Reports to the Board of Directors and the General Assembly:	Renumber
	▪ The Audit Committee submits reports of its activities to the Board of Directors.	No Amendment
	▪ The Audit Committee shall submit an annual report to the Annual General Assembly. The report includes details of its performance regarding its responsibilities and duties outlined in the Companies Law and its implementing regulations, along with its recommendations and opinion on the adequacy of the company's internal and financial control systems and risk management.	Rephrase
	▪ The Audit Committee shall provide the Board of Directors with an annual report at its first meeting, held after January 1st of each year, to summarize its activities and annual achievements.	Rephrase
	▪ The Board of Directors must ensure that sufficient copies of the Audit Committee's annual report are available at the company's headquarters and published on the company's website and the financial market (Tadawul) concurrently with the publication of the General Assembly's meeting invitation, at least 21 days prior to the meeting. The report must also be discussed during the General Assembly meeting.	Rephrase according to: - Article 122 of the Companies Law - Article 13, Paragraph (D) of the Corporate Governance Regulations - Article 14, Paragraph (c) of the Corporate Governance Regulations.

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<p>Article 26: Arrangements for Submitting Comments</p> <p>The audit committee shall adopt appropriate follow-up procedures and establish a mechanism that allows the company's employees to submit comments on any infringement of financial irregularities or any other reports in secrecy. The committee shall verify the application of this mechanism by conducting an independent investigation commensurate with the volume of irregularities or abuse.</p>	<p>Renumbering Article 26 as Article 22 without text amendment</p>
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	Article24: Events of Conflict of Interest	Renumber
<p>Renumbering Article 31 as Article 24 with text amendment</p>	<ul style="list-style-type: none"> • In the events of conflict of interest (if any), Member of the Audit Committee shall disclose any conflict of interest (potential or actual) at the beginning of the meeting or prior to discussing any relevant item or topic listed on the agenda. Details of the conflict of interest event are recorded in the minutes of meeting. In this case, the member shall not discuss, participate in the discussion, or vote on the related matter. 	<p>Adding to the Paragraph</p>
	<ul style="list-style-type: none"> • In the event of conflict of interest (actual or potential), it is appropriate to exempt the committee member from the committee's deliberations regarding the situation wherein a conflict of interest may occur. The final ruling for taking such a decision is for the Chairman of the Audit Committee. 	<p>No Amendment</p>



Article 27: Powers of the Committee

The Board of Directors guarantees the following powers and rights for the Audit Committee:

- The right of unrestricted access to management members, employees and related information deemed necessary for performance of its duties
- Unrestricted access to records, data and reports
- The right to communicate and obtain information from the third party
- Discuss relevant matters with the external auditor and other third parties
- The right to request attendance of persons from higher management in the audit committee meetings
- The right to request and receive any explanatory information it deems necessary to fulfill its responsibilities. The company's management and employees shall cooperate with the audit committee's requests.
- The right to seek assistance of an independent advisory committee and / or other consultants according to what the committee deems necessary to perform its duties, as well as the right to obtain legal or professional advice necessary to fulfill its responsibilities
- The right to request the Board of Directors to invite the company's general assembly to convene if the Board of Directors impedes its work or the company suffers heavy damage or losses.

Renumbering Article 27 as Article 7 with text amendment

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Article 25: Avoidance of Conflict of Interest

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- A member of the Audit Committee shall avoid transactions and situations in which they have, or may potentially have, a direct or indirect interest in a matter included on the committee's agenda, where such an interest may affect the independence of their judgment or conflict with the company's interests. The member must comply with the conflict-of-interest provisions stipulated in the Companies Law and its implementing regulations.
- If a member has a conflict of interest regarding a matter included on the committee's agenda, they must disclose it before the discussion begins, and such disclosure shall be recorded in the meeting minutes. In this case, the member shall not discuss, participate in deliberations, or vote on the relevant matter.
- A committee member must not exploit their position or responsibilities as a member of the Audit Committee under any circumstances to obtain benefits from third parties or accept any advantage offered by others in exchange for performing or refraining from performing a specific act to achieve personal gains for themselves, their relatives, or acquaintances.
- A member shall not accept, receive, offer, or request any benefit of any kind, whether financial or in-kind, including hospitality services or gifts from third parties, due to their membership in the committee, whether directly or indirectly.

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Article 28: The Audit Committee is vested with the following	Delete
▪ Supervise all auditing services, as well as consulting services performed by the external auditor or consulting offices and bodies employed by the company	
▪ Resolve any disputes between management and the external auditor regarding reports, financial statements, and other matters	
▪ Pre-approval of all audit and accounting consulting services (if any) related to the financial statements and reports that may be provided by the company's external auditor.	

	Article 26: Confidentiality of Information	Renumber
Renumbering Article 13 as Article 26 with text amendment	- Committee members must maintain the confidentiality of any information obtained through relevant company documents and activities and must not disclose such information to any individual or third party. Under no circumstances—even after their membership has ended—may they exploit their access to such information for personal gain, for the benefit of relatives, or for third parties. Any violation of this obligation shall result in their dismissal. Furthermore, if their membership has ended, they shall be held liable for any damages incurred as a result of their breach. This obligation also applies to the committee secretary.	New Paragraph



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Renumbering Article 13 as Article 26 with text amendment	- All discussions that take place during committee meetings are considered confidential, and a committee member shall maintain the confidentiality of this information.	Rearranging Paragraph
	- Each member shall be directly responsible for the data and information that fall at his disposal by virtue of his membership.	No Amendment
	- The committee's documents and meeting minutes are classified as confidential and may not be accessed by any individual unless they are formally authorized.	Rephrase

Article 29: Submitting Reports to the Board of Directors and the General Assembly:	Renumbering Article 29 as Article 23 with text amendment
▪ The Audit Committee submits reports of its activities to the Board of Directors.	
▪ The Audit Committee submits an annual report to the annual general assembly.	
▪ The Audit Committee provides the Board of Directors with an annual report at its first meeting held after January 1st of each year, to summarize its annual work and achievements. The report of the audit committee shall include details of its performance of its functions and functions stipulated in the Company Law and its executive bylaws, provided that it includes its recommendations and viewpoint on the adequacy of the internal and financial control and risk management systems in the company.	
▪ The Board of Directors shall ensure that sufficient copies of the annual report of the Audit Committee are provided to be submitted to the shareholders (at the Company head office) at least ten (10) days prior to the general assembly meeting. The report shall be discussed in the general assembly meeting.	

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<p>Renumbering Article 24 as Article 27 with text amendment</p>	<p>Article 27: Conflict between Audit Committee and the Board of Directors:</p> <p>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 refuses to implement the committee's recommendations regarding the appointment of the company's external auditor, his dismissal, the determination of his remuneration, the evaluation of his performance, or the appointment of the head of the Company's internal audit, the board report shall include the committee's recommendations and justifications the reasons for not adopting these recommendations.</p>	<p>Renumber</p> <p>Rephrase</p>
<p>Article30: Duties of Members of the Committee:</p> <ul style="list-style-type: none"> Members of the Audit Committee are expected: To understand the relevant laws, codes and regulations affecting the company To allow the necessary time to understand, absorb and study the topics, documents and papers submitted to the committee for discussion and decision-making in the matter during the committee's meetings To apply the best analytical, objective and decision-making skills To express viewpoints frankly and raise questions about the core essence of basic issues to verify the core essence of matters Maintaining the confidentiality of the information they receive or that they are aware of. 		<p>Renumbering Article 30 as Article 18 with text amendment</p>

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Article 31: Events of Conflict of Interest	
<ul style="list-style-type: none"> In the events of conflict of interest (if any), Member of the Audit Committee shall disclose any conflict of interest (potential or actual) at the beginning of the meeting or prior to discussing any relevant item or topic listed on the agenda. Details of the conflict of interest event are recorded in the minutes of meeting. In the event of conflict of interest (actual or potential), it is appropriate to exempt the committee member from the committee's deliberations regarding the situation wherein a conflict of interest may occur. The final ruling for taking such a decision is for the Chairman of the Audit Committee. 	Renumbering Article 31 as Article 24 with text amendment

Article 32: Training / Orientation Program for Members of the Committee:	Article 28: Training / Orientation Program for Members of the Committee:	Renumber
A training / orientation program is provided to the new members of the audit committee, if the need arises, in order to provide the necessary information and inform them of the work, tasks and responsibilities of the audit committee to help them perform their duties in the fullest possible way.	A training / orientation program is provided to the new members of the audit committee, if the need arises, in order to provide the necessary information and inform them of the work, tasks and responsibilities of the audit committee to help them perform their duties in the fullest possible way.	No Amendment
Head of the Internal Audit Group shall coordinate and arrange the training / orientation program for new members of Audit Committee.	The Director of the Company's Internal Audit shall coordinate and arrange the training / orientation program for new members of Audit Committee.	Rephrase



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Article 33: Evaluation of Committee Performance	Article 29: Evaluation of Committee Performance	Renumber
Performance of the Audit Committee is reviewed every two years. Performance review is conducted on the basis of self-evaluation unless the Chairman of the Audit Committee decides otherwise.	Performance of the Audit Committee is reviewed every two years. Performance review is conducted on the basis of self-evaluation unless the Chairman of the Audit Committee decides otherwise.	No Amendment
Article 34: Promulgation and Enforcement	Article 30: Promulgation and Enforcement	Renumber
Audit Committee's regulation is subject to a review process every three years (when the new audit committee takes over its duties) or whenever the need arises, and in the event that any changes are required to be made by the Board of Directors, and those changes are approved by the general assembly based on the recommendation of the board of directors.	Audit Committee's regulation is subject to a review process every three years (when the new audit committee takes over its duties) or whenever the need arises, and in the event that any changes are required to be made by the Board of Directors, and those changes are approved by the general assembly based on the recommendation of the board of directors	Rephrase

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