

## Audit Committee Report for the year 2023G

### Results of the annual review of the effectiveness of the company's internal control procedures:

- The Audit Committee works on developing and supporting internal control and audit systems within an annual review plan based on risks, by submitting periodic reports to the Audit Committee about the operational, administrative, and financial audit processes continuously carried out. These processes aim to reasonably ensure the achievement of the company's objectives, which include protecting the company's assets, accuracy, and completeness of accounting records, and compliance with the regulations and policies adopted by management to achieve the company's objectives.
- The committee also plays a significant role in developing and supporting internal control and audit systems, ensuring the effectiveness of internal controls, and overseeing the company's internal audit process.
- This includes:

**Evaluation of the Internal Control System:** The Internal Audit Committee is responsible for assessing the effectiveness of the company's internal control system. This involves reviewing how policies and procedures are implemented and the extent to which the company and its employees adhere to them.

- **Supervision and Monitoring:** The Audit Committee continuously monitors the application of regulations and policies and verifies the company's compliance therewith.
- **Reporting and Recommendations:** The committee prepares periodic reports that include its evaluation of the internal control system and provides recommendations to improve performance and enhance effectiveness.

- **Collaboration with External Auditors:** Often, the Audit Committee collaborates with external auditors to obtain an objective and independent assessment.

- **Training and Development:** The Audit Committee seeks to develop the capabilities of the internal team through training and enhancing the skills required to perform internal audit activities efficiently.

- The audits conducted by the Internal Audit Department and external auditors on the effectiveness and procedures of internal control and oversight did not reveal any material weaknesses in the company's internal control system. Most observations were primarily focused on areas for performance improvement, activation of operational departments, enhancing their efficiency, and completing and documenting procedures to strengthen the company's internal control system. Based on these studies carried out by the Audit Committee, it is reasonably assured that the internal control system's procedures are effective and efficient.

Audit Committee's Chairman

Suleiman bin Abdulaziz Al-Zay