

## Audit Committee Report for the financial year ended 31 December 2024

### Introduction: -

The Audit Committee of the Saudi Arabian Refineries Company (SARCO) plays a fundamental and important role in assisting the Board of Directors to carry out and fulfill its duties with regard to the integrity and accuracy of the company's financial statements, review them with the external auditor and ensure the independence and efficiency of the work of the external auditor, in addition to the internal audit work and its effectiveness in updating laws and regulations and monitoring their performance, including the governance system and risk management, in addition to compliance management and its work in achieving compliance with the relevant laws and regulations.

During 2024, the Audit Committee held a number of meetings to review the quarterly and annual financial statements in addition to the internal auditor's reports .

### 1. Members of the Audit Committee : -

In 2024, the Audit Committee consisted of the following members:

Member Name	Membership
Mr. Meshaal Abdulrahman Al-Aqla	Chairman of the Committee
Mr. Khaled Mohammed Al-Henaki	Member - Independent
Mr. Osama Suleiman Al-Sudais	Member - Independent from outside the Board

### 2. Attend Audit Committee meetings

Number of meetings: (8) meetings as follows:

Date	Osama Suleiman Alsudais	Khaled Mohammed Alhenaki	Meshaal Abdulrahman Al Aqla
14/03/2024	Attend	Attend	Attend
2/04/2024	Attend	Attend	Attend
9/05/2024	Attend	Attend	Attend
23/06/2024	Attend	Attend	Attend
31/07/2024	Attend	Attend	Attend
18/08/2024	Attend	Attend	Attend
17/10/2024	Attend	Attend	Attend
29/10/2024	Attend	Attend	Attend

### 3. Roles and Responsibilities of the Audit Committee

The following are the main responsibilities of the Audit Committee according to the responsibilities and powers stipulated in the Audit List:

#### A. Supervise financial reports, including:

1. Review the consolidated financial statements of the company.
2. Provide technical opinions regarding the financial performance of the company in terms of its compliance with regulatory requirements.
3. Examination of unusual transactions in the financial statements.
4. Discuss the cases filed against the company and their impact on the financial statements.
5. Check accounting estimates.
6. Review financial and accounting policies.

#### B. Supervise internal control systems, including:

1. Review internal and financial control systems and risk management and ensure their effectiveness through regular reports from the Internal Audit Department or the external auditor or any other work related to the tasks of the Committee from the supervisory authorities and follow up the implementation of corrective actions.
2. Reporting to the Board of Directors regarding the adequacy of internal control systems.

#### C. Supervise the internal audit activity, including:

1. Supervise the internal audit and verify its effectiveness to carry out its role and responsibilities.
2. Review the risk assessment process to which the company is exposed.
3. Review and approve the annual audit plan.
4. Review the reports prepared by the internal audit and follow up the implementation of corrective actions.
5. Ensure the independence of internal audit.
6. Review internal audit policies and procedures.
7. Evaluate the performance of internal audit.

#### D. Supervise external auditors, including:

1. Recommending the appointment or dismissal of the external auditor and determining his fees after

evaluating his performance, independence, scope of work and conditions of assignment.

2. Verify the independence of the external auditor.
3. Review the external auditor's plan and verify its compliance with applicable laws and regulations.
4. Respond to the inquiries of the external auditor and provide the necessary support to conduct the external audit work.
5. Review reports issued by the external auditor and follow up on the implementation of corrective actions.

E. Compliance oversight, including:

1. Review the reports issued by the supervisory authorities regarding the Saudi Arabian Refineries Company's compliance with the applicable regulations and follow up the implementation of corrective actions.
2. Establish appropriate procedures for internal reporting of violations of internal control systems.
3. Establish appropriate procedures for reporting violating practices and make appropriate recommendations to the Board of Directors when needed.

4. Achievements of the Audit Committee in 2024.

The following are the main achievements of the Audit Committee during the year:

1. Review the Company's consolidated financial statements and recommend to the Board for approval.
2. Review the annual plan of the external auditor and ensure the independence of his work.
3. The Committee's recommendation to select an audit office for the second and third quarters of 2024 and the first quarter of 2025.
4. Approving the policy of the work of the External Auditor.
5. Adoption of the Charter of the Audit Committee.
6. Adoption of the Internal Audit Charter.
7. Approving the Internal Audit Regulations.
8. Approving the Audit Committee's work regulations.
9. Approving the application and development of the company's internal policies.
10. Recommending the appointment of an internal auditor to carry out internal audit work.
11. Recommending to the Committee the appointment of an external legal advice firm.
12. Recommendation of the Committee to work on preparing the financial budget for the year 2024/2025.
13. Ensure that there is no financial impact of the cases filed against the company.
14. Ensure that internal audit governance documents (business policies and procedures) are up-to-date and relevant.

15. Review violations of the Code of Conduct presented to the Committee.

5. Opinion and recommendation of the Audit Committee

The internal control system plays an important role in the success of any facility. Therefore, the Audit Committee of the Saudi Arabian Refineries Company supervises the internal control system and the financial system and periodically evaluates the adequacy and effectiveness of the internal control systems by carrying out audit work according to the annual risk-based plan.

Based on the financial reports submitted by the External Auditor and the results of the internal audit work, the Committee is of the view that the internal control system in the Saudi Arabian Refineries Company has been studied and that it is working appropriately and that no material issues have been reported that make it believe that the internal control system has not been designed as required, knowing that it is subject to continuous evaluation and improvement by the company's management to identify any gaps and to meet the required level of effectiveness as well.

The Committee also believes that the company's internal and financial control and risk management systems adequacy systems are working well, and the Committee recommended the establishment of a risk department during the fiscal year 2025.

During 2024, the Audit Committee received the full support of the Board of Directors to be able to successfully meet expectations and achieve its objectives. It also received the necessary cooperation from all levels of the company to answer the questions of the Audit Committee, and facilitate the work of internal audit.

Audit Committee Members		
Abdul Aziz Abdul Mohsen Albaker	Chairman of the Audit Committee	
Khaled Mohammed Alhenaki	Committee Member	
Nael Samir Fayez	Committee Member	
Osama Suleiman Alsudais	Committee Member	