



## **"Extraordinary General Assembly Meeting of Al Rajhi Cooperative Insurance Company (Al Rajhi Takaful)"**

### **Attachments:**

- A. Audit Committee Report.
- B. Attachment for Item (8)
- C. Attachment for Item (9)
- D. Attachment for Item (12)
- E. Attachment for Item (13)



**"Audit Committee Report for the Fiscal Year Ended December 31, 2024"**

**The Audit Committee Report to the General Assembly of the company for the fiscal year 2024**

The Audit Committee is pleased to present its annual report to the shareholders of Al Rajhi Takaful for the financial year ended 31 December 2024, in accordance with applicable regulatory requirements.

**Key Committee Activities:**

### Financial Reporting Review:

The Committee reviewed the quarterly and annual financial statements with executive management and external auditors to ensure fairness, completeness, and compliance with approved accounting and regulatory standards.

### External Auditor Performance Evaluation:

The Committee assessed the performance, independence, and competence of the external audit firms: Dr. Mohamed Al Amri & Co. (BDO) and El Sayed El Ayouty & Co. (Moore), based on audit quality, technical readiness, adherence to the plan, and sector knowledge.

**Internal Audit:**

The Committee reviewed and approved the 2024 Internal Audit Plan, monitored the implementation of audit recommendations, and confirmed the independence of the internal audit function and its full access to required information.

**Compliance Oversight:**

The Committee reviewed the annual Compliance Plan and periodic reports on key areas. It also followed up on corrective actions and confirmed alignment with regulatory requirements.

**Legal Affairs Review:**

The Committee reviewed reports from the Legal Department regarding ongoing litigation, financially significant claims, and regulatory disputes.

**Actuarial and Technical Consultation:**

The Committee reviewed reports from the appointed actuary regarding underwriting and claims reserves and discussed their alignment with financial results and regulatory expectations.

Based on the periodic reports presented to the Audit Committee during the fiscal year ending on 31 December 2024 by the Company's Executive Management, and the reports of the Internal Audit Department, Compliance Department, and the External Auditors, the Audit Committee did not find any material gaps in the internal control system that may adversely and materially affect the integrity and fairness of the financial statements or the integrity and effectiveness of internal control systems, risk management, financial and operational controls, and procedures. Bearing in mind that any internal control system, regardless of its level of complexity and effectiveness, cannot provide absolute assurance.

In our opinion, and based on the aforementioned reports and discussions, the Company's Executive Management has maintained an effective internal control system that provides reasonable assurance.



رقم ترخيص هيئة التأمين (ت م ن/ ٢٢/ ٢٠٠٩٩١١)  
Insurance Authority License (ت م ن/ ٢٢/ ٢٠٠٩٩١١)

تكاful الراجحي  
Al Rajhi Takaful



The results of the auditing, as well as the Committee's discussions during the meetings, provided a reasonable basis for this opinion.

Chairman Nabeel Ali Shoaib	Member Fahad Mohammad Al-Fawaz	Member Hateem Mohammad Al-Wabel
Signature: 	Signature: 	Signature: 





8"Eighth Agenda Item"



**Schedule of Amendments to the Articles of Association of Al Rajhi  
Company for Cooperative Insurance (Al Rajhi Takaful)**

### Schedule of Amendments to the Articles of Association

Pre-amended Article	Post-amended Article	Grounds for Amendment
<b>Article Three: Purpose of the Company:</b> Conducting the cooperative insurance businesses in the division of general insurance, health insurance and protection and saving insurance. The Company may carry out all works required to achieve its targets. The Company shall carry out its activities according to the Cooperative Insurance Companies Control Law and its Implementing Regulation, the rules issued by the Saudi Central Bank and the laws and regulations in force in the Kingdom of Saudi Arabia subject to obtaining the required licenses from the competent authorities, if any.	<b>Article Three: Purpose of the Company:</b> Conducting the cooperative insurance businesses in the division of general insurance, health insurance and protection and saving insurance. The Company may carry out all works required to achieve its targets. The Company shall carry out its activities according to the Cooperative Insurance Companies Control Law and its Implementing Regulation, the rules issued by the Insurance Authority and the laws and regulations in force in the Kingdom of Saudi Arabia subject to obtaining the required licenses from the competent authorities, if any.	Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)
<b>Article Four: Participation and Ownership in the Companies:</b> The Company may establish a single-person limited liability or joint-stock companies. The Company may own shares and stocks in other existing companies or merge therewith, may participate with third parties in establishing joint-stock or limited liability companies, provided that the companies that the Company establishes, participates therein or merge therewith shall conduct businesses similar to its businesses, financial businesses or those with which	<b>Article Four: Participation and Ownership in the Companies:</b> The Company may establish a single-person limited liability or joint-stock companies. The Company may own shares and stocks in other existing companies or merge therewith, may participate with third parties in establishing joint-stock or limited liability companies, provided that the companies that the Company establishes, participates therein or merge therewith shall conduct businesses similar to its businesses, financial businesses or those with which	Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)

the Company cooperates to achieve their purpose, subject to meeting the requirements of the rules and instructions applicable in this respect, and after obtaining the approval of the Saudi Central Bank.	the Company cooperates to achieve their purpose, subject to meeting the requirements of the rules and instructions applicable in this respect, and after obtaining the approval of the Insurance Authority.	
<b>Article Five: Company's Head Office:</b> The Company's head office shall be located in the city of Riyadh, Kingdom of Saudi Arabia, and may, by a decision of the Extraordinary General Assembly, be transferred to any other city in the Kingdom of Saudi Arabia under the approval of the Saudi Central Bank. The Company may establish branches, offices or agencies within or outside the Kingdom of Saudi Arabia subject to the approval of the Saudi Central Bank.	<b>Article Five: Company's Head Office:</b> The Company's head office shall be located in the city of Riyadh, Kingdom of Saudi Arabia, and may, by a decision of the Extraordinary General Assembly, be transferred to any other city in the Kingdom of Saudi Arabia under the approval of the Insurance Authority. The Company may establish branches, offices or agencies within or outside the Kingdom of Saudi Arabia subject to the approval of the Insurance Authority.	Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)
<b>Article Seven: Company's Investments:</b> The Company shall invest the funds accumulated from the insured and shareholders in the Company according to the rules set by the Board of Directors and in compliance with the Cooperative Insurance Companies Control Law and its Implementing Regulation, the rules issued by the Saudi Central Bank or by any other relevant authority.	<b>Article Seven: Company's Investments:</b> The Company shall invest the funds accumulated from the insured and shareholders in the Company according to the rules set by the Board of Directors and in compliance with the Cooperative Insurance Companies Control Law and its Implementing Regulation, the rules issued by the Insurance Authority or by any other relevant authority.	Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)
<b>Article Eleven: Issuance of the Shares:</b> The Company's shares shall be nominal, and may not be issued in less than their	<b>Article Eleven: Issuance of the Shares:</b> 1. The Company's shares shall be nominal, and may not be issued in less	Enumeration of paragraphs



<p>nominal value. Rather, they may be issued in a value higher than such value. In such latter case, the difference of value shall be added under a separate item within the rights of shareholders. The share shall be indivisible against the Company. If a share is held by multiple persons, they shall select one of them to act on their behalf in using the rights related thereto. Such persons shall be jointly liable for liabilities arising from holding the share.</p>	<p>than their nominal value. Rather, they may be issued in a value higher than such value. In such latter case, the difference of value shall be added under a separate item within the rights of shareholders. The share shall be indivisible against the Company. If a share is held by multiple persons, they shall select one of them to act on their behalf in using the rights related thereto. Such persons shall be jointly liable for liabilities arising from holding the share.</p> <p>2. The Company may, subject to obtaining non-objection from the Insurance Authority, acquire its shares to become treasury shares and sell the same according to the Companies Law and the controls issued by the control and regulatory authorities. In all cases, the shares acquired by the Company shall have no votes in the shareholders meetings.</p> <p>3. The Company may, subject to obtaining non-objection from the Insurance Authority, acquire its shares and allocate the same to the Company's employees under the employees' shares program or for any other purpose according to the Companies Law and the controls issued by the control and regulatory authorities. In all cases, the shares acquired by the</p>	<p>Based on Article (114) of the Companies Law, and Articles (17), (18) &amp; (27) of the Implementing Regulations to the Companies Law regarding the listed joint-stock companies</p>
---	--	--

	Company shall have no votes in the shareholders meetings.	
<b>Article Twelve: Stock Trading:</b> <p>1. Stocks subscribed to by founders may not be traded except after the financial statements for two fiscal years are published; each not being less than (12) twelve months from the date of incorporating the Company, subject to obtaining the approval of the Saudi Central Bank. Such stock bonds shall be initialized denoting their type, date of incorporation the Company and the duration during which their trading is prohibited.</p> <p>2. The shares may, during the period of prohibition, be transferred pursuant to the provisions of selling the rights by a founder to another or from an heir of a founder in case of the death of such founder to third parties, or in case of enforcement against the funds of the insolvent or bankrupt founder, provided that the priority of holding such shares shall be given to other founders.</p> <p>3. The provisions of this Article shall apply to what the founders subscribe to in case of increasing the share capital prior to the expiry of the prohibition period.</p>	<b>Article Twelve: Stock Trading:</b> <p>1. Stocks subscribed to by founders may not be traded except after the financial statements for two fiscal years are published; each not being less than (12) twelve months from the date of incorporating the Company, subject to obtaining the approval of the Insurance Authority. Such stock bonds shall be initialized denoting their type, date of incorporation the Company and the duration during which their trading is prohibited.</p> <p>2. The shares may, during the period of prohibition, be transferred pursuant to the provisions of selling the rights by a founder to another or from an heir of a founder in case of the death of such founder to third parties, or in case of enforcement against the funds of the insolvent or bankrupt founder, provided that the priority of holding such shares shall be given to other founders.</p> <p>3. The provisions of this Article shall apply to what the founders subscribe to in case of increasing the share capital prior to the expiry of the prohibition period.</p>	Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)

<p><b>Article Thirteen: Share Capital Increase:</b></p> <p>1. The Extraordinary General Assembly may determine to increase the share capital of the Company, subject to the approval of the Saudi Central Bank and the Capital Market Authority, provided that the share capital shall have been paid up. It is not a condition that the share capital shall be paid up if the unpaid portion of the capital is attributed to shares that have been issued against the transformation of debt instruments or financial instruments into shares and the period prescribed for their transformation into shares has not yet expired.</p> <p>2. The Extraordinary General Assembly may in all cases allocate the shares issued on increasing the share capital or part thereof to the employees at the Company and its affiliates, some thereof, or any thereof. The shareholders may not exercise the preemptive right when the Company issues the shares allocated for the employees.</p> <p>3. The shareholder holding the share, upon the issuance of the decision on the share capital increase by the General Assembly, shall have the preemptive right to subscribe to the new shares issued against cash shares. Such shareholders shall be notified of their preemptive right,</p>	<p><b>Article Thirteen: Share Capital Increase:</b></p> <p>1. The Extraordinary General Assembly may determine to increase the share capital of the Company, subject to the approval of the Insurance Authority and the Capital Market Authority, provided that the share capital shall have been paid up. It is not a condition that the share capital shall be paid up if the unpaid portion of the capital is attributed to shares that have been issued against the transformation of debt instruments or financial instruments into shares and the period prescribed for their transformation into shares has not yet expired.</p> <p>2. The Extraordinary General Assembly may in all cases allocate the shares issued on increasing the share capital or part thereof to the employees at the Company and its affiliates, some thereof, or any thereof. The shareholders may not exercise the preemptive right when the Company issues the shares allocated for the employees.</p> <p>3. The shareholder holding the share, upon the issuance of the decision on the share capital increase by the General Assembly, shall have the preemptive right to subscribe to the new shares issued against cash shares. Such shareholders shall be notified of their preemptive right,</p>	<p>Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)</p>
--	---	---

<p>if any, by publishing the same in a daily gazette or by informing them by registered mail about the decision of share capital increase, and subscription conditions, period, start date and end date.</p> <p>4. The Extraordinary General Assembly may suspend the preemptive right of the shareholders to subscribe to the increased share capital against cash shares or may give the preemptive right to non-shareholders in the cases it deems for the interest of the Company.</p> <p>5. The shareholder shall have the right to sell or waive the preemptive right during the period from the issuance of the decision of share capital increase by the General Assembly to the last day of subscription to the new shares related to such rights according to the controls set by the Capital Market Authority.</p>	<p>if any, by publishing the same in a daily gazette or by informing them by registered mail about the decision of share capital increase, and subscription conditions, period, start date and end date.</p> <p>4. The Extraordinary General Assembly may suspend the preemptive right of the shareholders to subscribe to the increased share capital against cash shares or may give the preemptive right to non-shareholders in the cases it deems for the interest of the Company.</p> <p>5. The shareholder shall have the right to sell or waive the preemptive right during the period from the issuance of the decision of share capital increase by the General Assembly to the last day of subscription to the new shares related to such rights according to the controls set by the Capital Market Authority.</p>	
<p><b>Article Fourteen: Share Capital Reduction:</b></p> <p>1. The Extraordinary General Assembly may determine to reduce the share capital if it is in excess of the Company's needs or if the Company sustains losses, subject to the approval of the Saudi Central Bank and the Capital Market Authority, provided that the paid capital shall be no less than (300) Three Hundred Million Riyals. The decision of reduction shall not be issued</p>	<p><b>Article Fourteen: Share Capital Reduction:</b></p> <p>1. The Extraordinary General Assembly may determine to reduce the share capital if it is in excess of the Company's needs or if the Company sustains losses, subject to the approval of the Insurance Authority and the Capital Market Authority, provided that the paid capital shall be no less than (300) Three Hundred Million Riyals. The decision of reduction shall not be issued</p>	<p>Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)</p>

<p>except after reading out a statement in the General Assembly meeting that is prepared by the Board of Directors on the reasons necessitating the reduction, Company's liabilities and effect of the reduction of meeting such liabilities. Such statement shall be enclosed with a report from the Company's auditor.</p> <p>2. If the share capital reduction is due to being in excess of the Company's needs, the creditors shall be invited to express their objections, if any, to the reduction at least (forty-five) days prior to the date specified for holding the Extraordinary General Assembly meeting to make the reduction decision. The invitation shall be enclosed with a statement showing the amount of the share capital prior to and post reduction, the date of holding the meeting and the effective date of reduction. If a creditor submits his objection to the Company together with the documents on the said date, the Company shall pay its debt if payable or shall provide him with a sufficient guarantee to fulfill the same if credit.</p>	<p>except after reading out a statement in the General Assembly meeting that is prepared by the Board of Directors on the reasons necessitating the reduction, Company's liabilities and effect of the reduction of meeting such liabilities. Such statement shall be enclosed with a report from the Company's auditor.</p> <p>2. If the share capital reduction is due to being in excess of the Company's needs, the creditors shall be invited to express their objections, if any, to the reduction at least (forty-five) days prior to the date specified for holding the Extraordinary General Assembly meeting to make the reduction decision. The invitation shall be enclosed with a statement showing the amount of the share capital prior to and post reduction, the date of holding the meeting and the effective date of reduction. If a creditor submits his objection to the Company together with the documents on the said date, the Company shall pay its debt if payable or shall provide him with a sufficient guarantee to fulfill the same if credit.</p>	
<p><b>Article Sixteen: Board Membership Termination:</b></p> <p>1. The Board membership shall terminate with the expiry of the Board term, resignation, death, absence from three meetings during one year without a</p>	<p><b>Article Sixteen: Board Membership Termination:</b></p> <p>1. The Board membership shall terminate with the expiry of the Board term, resignation, death, absence from three meetings during one year without a</p>	<p>Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)</p>

<p>justifiable and acceptable reason, or if it proven for the Board of Directors that the member has breached its obligations in a manner harming the interest of the Company subject to the approval of the Ordinary General Assembly or termination of his membership according to any regulation or instructions in force in the Kingdom of Saudi Arabia, if a judgment is served ruling his bankruptcy or insolvency, if he applies for arrangement with his creditors, stops paying his debts, is afflicted with a mental disease or a physical disability that may result in the member being unable to carry out his role satisfactorily, is convicted of a crime in violation of honour, honesty or forgery, or violates the laws and regulations in the Kingdom of Saudi Arabia or any other country.</p> <p>2. The Ordinary General Assembly may at all times dismiss all or some Board members without prejudice to the right of the dismissed member towards the Company to claim compensation if the dismissal occurs for unacceptable reason or at inappropriate time. The Board member may quit, provided that the same shall be in appropriate time; otherwise, he shall be held responsible before the Company for damage arising from quitting.</p>	<p>justifiable and acceptable reason, or if it proven for the Board of Directors that the member has breached its obligations in a manner harming the interest of the Company subject to the approval of the Ordinary General Assembly or termination of his membership according to any regulation or instructions in force in the Kingdom of Saudi Arabia, if a judgment is served ruling his bankruptcy or insolvency, if he applies for arrangement with his creditors, stops paying his debts, is afflicted with a mental disease or a physical disability that may result in the member being unable to carry out his role satisfactorily, is convicted of a crime in violation of honour, honesty or forgery, or violates the laws and regulations in the Kingdom of Saudi Arabia or any other country.</p> <p>2. The Ordinary General Assembly may at all times dismiss all or some Board members without prejudice to the right of the dismissed member to claim compensation if the dismissal occurs for unacceptable reason or at inappropriate time. The Board member may quit, provided that the same shall be in appropriate time; otherwise, he shall be held responsible before the Company for damage arising from quitting.</p>	
---	---	--



<p>3. If a Board member resigns, having comments on the performance of the Company, such member shall submit a written statement thereof to the Board Chairman. Such statement shall be forwarded to the Board members.</p> <p>4. The Saudi Central Bank shall be notified upon resignation of any Board member or termination of his membership for any reason other than the expiry of the Board term within (5) five working days from the date of quitting, subject to the relevant requirements for disclosure.</p>	<p>3. If a Board member resigns, having comments on the performance of the Company, such member shall submit a written statement thereof to the Board Chairman. Such statement shall be forwarded to the Board members.</p> <p>4. The Insurance Authority shall be notified upon resignation of any Board member or termination of his membership for any reason other than the expiry of the Board term within (5) five working days from the date of quitting, subject to the relevant requirements for disclosure.</p>	
<p><b>Article Seventeen: Vacancy in the Board:</b></p> <p>If a Board member position becomes vacant, the Board may temporarily appoint a member in the vacant position who shall have sufficient experience, subject to obtaining non-objection from the Saudi Central Bank, and without considering the order in obtaining the votes in the General Assembly through which the Board of Directors has been elected. The Ministry of Commerce and the Capital Market Authority shall be notified within (15) fifteen days from the date of appointment. Such appointment shall be forwarded to the Ordinary General Assembly during its first meeting. The new member shall only complete the term of his predecessor.</p>	<p><b>Article Seventeen: Vacancy in the Board:</b></p> <p>If a Board member position becomes vacant, the Board may temporarily appoint a member in the vacant position who shall have sufficient experience, subject to obtaining non-objection from the Insurance Authority, and without considering the order in obtaining the votes in the General Assembly through which the Board of Directors has been elected. The Ministry of Commerce and the Capital Market Authority shall be notified within (15) fifteen days from the date of appointment. Such appointment shall be forwarded to the Ordinary General Assembly during its first meeting. The new member shall only complete the term of his predecessor.</p>	<p>Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)</p>

<p><b>Article Twenty-Four: Agreements and Contracts, Conflicts of Interest and Competing with the Company:</b></p> <p>1. The Company may, subject to obtaining non-objection from the Saudi Central Bank, conclude an agreement to manage the technical services with one or more companies qualified in the field of insurance.</p> <p>2. No Board member may have any interest, directly or indirectly, in the businesses and contracts concluded for the benefit of the Company except with permission from the Ordinary General Assembly. A Board member shall notify the Board of its direct or indirect interest in the businesses and contracts concluded for the benefit of the Company. such notification shall be documented in the minutes of the meeting.</p> <p>3. Such member may not participate in voting on the decision that is made in this regard in the Board and shareholders meetings.</p> <p>4. The Board of Directors shall notify the Ordinary General Assembly when held of the businesses and contracts in which a Board member has a direct or indirect interest. Such notification shall be</p>	<p><b>Article Twenty-Four: Agreements and Contracts, Conflicts of Interest and Competing with the Company:</b></p> <p>1. The Company may, subject to obtaining non-objection from the Insurance Authority, conclude an agreement to manage the technical services with one or more companies qualified in the field of insurance.</p> <p>2. No Board member may have any interest, directly or indirectly, in the businesses and contracts concluded for the benefit of the Company except with permission from the Ordinary General Assembly. A Board member shall notify the Board of its direct or indirect interest in the businesses and contracts concluded for the benefit of the Company. such notification shall be documented in the minutes of the meeting.</p> <p>3. Such member may not participate in voting on the decision that is made in this regard in the Board and shareholders meetings.</p> <p>4. The Board of Directors shall notify the Ordinary General Assembly when held of the businesses and contracts in which a Board member has a direct or indirect interest. Such notification shall be</p>	<p>Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)</p>
---	--	---

<p>enclosed with a special report from the Company's external auditor.</p> <p>5. If a Board member fails to disclose its interest, the Company or stakeholders may claim before the competent judicial authority to nullify the contract or oblige such member to pay any profit or benefit realized thereto due to the same.</p> <p>6. The responsibility for the damage resulting from the businesses and contracts referred to in Paragraph (2) of this Article shall be laid on the member with the interest in the business or contract as well as the Board members if such businesses or contracts are concluded in breach of the provisions of such Paragraph or if they are proven to be unfair or involve conflicts of interest and cause damage to the shareholders.</p> <p>7. The Board members objecting to the decision shall be relieved from responsibility whenever they document their objection explicitly in the minutes of the meeting. Absence from the meeting in which the decision is made shall not be deemed a reason for relief from responsibility unless it is proven that the absent member was unaware of the decision or could not object thereto after he had become aware thereof.</p>	<p>enclosed with a special report from the Company's external auditor.</p> <p>5. If a Board member fails to disclose its interest, the Company or stakeholders may claim before the competent judicial authority to nullify the contract or oblige such member to pay any profit or benefit realized thereto due to the same.</p> <p>6. The responsibility for the damage resulting from the businesses and contracts referred to in Paragraph (2) of this Article shall be laid on the member with the interest in the business or contract as well as the Board members if such businesses or contracts are concluded in breach of the provisions of such Paragraph or if they are proven to be unfair or involve conflicts of interest and cause damage to the shareholders.</p> <p>7. The Board members objecting to the decision shall be relieved from responsibility whenever they document their objection explicitly in the minutes of the meeting. Absence from the meeting in which the decision is made shall not be deemed a reason for relief from responsibility unless it is proven that the absent member was unaware of the decision or could not object thereto after he had become aware thereof.</p>	
---	---	--

<p>8. No Board member may engage in any business competing with the Company or compete the Company in any line of the businesses conducted thereby. Otherwise, the Company may claim such member for the appropriate compensation before the competent judicial authority, unless such member had previous permission from the Ordinary General Assembly, that is renewable annually, allowing him to do so.</p>	<p>8. No Board member may engage in any business competing with the Company or compete the Company in any line of the businesses conducted thereby. Otherwise, the Company may claim such member for the appropriate compensation before the competent judicial authority, unless such member had previous permission from the Ordinary General Assembly, that is renewable annually, allowing him to do so.</p>	
<p><b>Article Forty-Three: Zakat, Reserve and Profit Distribution:</b></p> <p>The Company shall:</p> <ol style="list-style-type: none"> <li>1. Set aside the legally prescribed Zakat and Income Tax.</li> <li>2. Set aside (20%) of net profit to form a statutory reserve. The Ordinary General Assembly may stop setting aside such percentage whenever the total reserve reaches (100%) of the paid capital.</li> <li>3. The Ordinary General Assembly may, upon determination of the stock share in net profit, decide to form other reserves to the extent achieving the interest of the Company or ensuring the distribution of fixed profit as much as possible to the shareholders.</li> <li>4. Distribute the net annual profit which the Company determines after deducting</li> </ol>	<p><b>Article Forty-Three: Zakat, Reserve and Profit Distribution:</b></p> <p>The Company shall:</p> <ol style="list-style-type: none"> <li>1. Set aside the legally prescribed Zakat and Income Tax.</li> <li>2. Set aside (20%) of net profit to form a statutory reserve. The Ordinary General Assembly may stop setting aside such percentage whenever the total reserve reaches (100%) of the paid capital.</li> <li>3. The Ordinary General Assembly may, upon determination of the stock share in net profit, decide to form other reserves to the extent achieving the interest of the Company or ensuring the distribution of fixed profit as much as possible to the shareholders.</li> <li>4. Distribute the net annual profit which the Company determines after deducting</li> </ol>	<p>Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)</p>

<p>all general expenses and other costs, and form the reserves required to confront the doubtful debts, investment losses and contingent liabilities which the Board of Directors deems necessary pursuant to the provisions of the Cooperative Insurance Companies Control Law and the rules issued by the Saudi Central Bank. The remaining profit shall be allocated, after deducting the prescribed reserves under the relevant laws and the Zakat in 5% of the paid capital, for distribution to the shareholders according to what the Board of Directors and General Assembly propose. If the remaining percentage of profit payable to the shareholders is not enough to pay such percentage, the shareholders may not claim for its payment in the year or the subsequent years. The General Assembly may not determine to distribute a percentage of profit in excess of what the Board of Directors proposes.</p>	<p>all general expenses and other costs, and form the reserves required to confront the doubtful debts, investment losses and contingent liabilities which the Board of Directors deems necessary pursuant to the provisions of the Cooperative Insurance Companies Control Law and the rules issued by the Insurance Authority. The remaining profit shall be allocated, after deducting the prescribed reserves under the relevant laws and the Zakat in 5% of the paid capital, for distribution to the shareholders according to what the Board of Directors and General Assembly propose. If the remaining percentage of profit payable to the shareholders is not enough to pay such percentage, the shareholders may not claim for its payment in the year or the subsequent years. The General Assembly may not determine to distribute a percentage of profit in excess of what the Board of Directors proposes.</p>	
<p><b>Article Forty-Four: Maturity of Profit:</b> A shareholder shall be eligible for its share of profit according to the decision of the General Assembly issued in this regard. Such decision shall show the due date and date of distribution. The shareholders registered in shareholders registers by the end of the day specified for maturity shall be eligible for profits. The Company shall notify the Capital Market Authority, without</p>	<p><b>Article Forty-Four: Maturity of Profit:</b> A shareholder shall be eligible for its share of profit according to the decision of the General Assembly issued in this regard. Such decision shall show the due date and date of distribution. The shareholders registered in shareholders registers by the end of the day specified for maturity shall be eligible for profits. The Company shall notify the Capital Market Authority, without</p>	<p>Council of Ministers' Decision No. (85) dated 28/1/1445H (15/8/2023)</p>

delay, of any decisions on profit distribution or make recommendation therefor, and shall pay the profits determined to be distributed to the shareholders at the place and dates set by the Board of Directors according to the instructions issued by the competent authority subject to the prior written approval of the Saudi Central Bank.	delay, of any decisions on profit distribution or make recommendation therefor, and shall pay the profits determined to be distributed to the shareholders at the place and dates set by the Board of Directors according to the instructions issued by the competent authority subject to the prior written approval of the Insurance Authority.	
--	---	--





9"Attachments of the Ninth and Tenth Agenda Items"

**9) Vote on the amendment of Article Eleven (11) of the Company's Articles of Association, concerning the issuance of shares, which authorizes the Company to purchase and sell its own shares for the purpose of allocating them to the Company's employees or for any other purpose in accordance with the applicable regulatory frameworks (attached).**

**Article Eleven: Issuance of the Shares:**

The Company's shares shall be nominal, and may not be issued in less than their nominal value. Rather, they may be issued in a value higher than such value. In such latter case, the difference of value shall be added under a separate item within the rights of shareholders. The share shall be indivisible against the Company. If a share is held by multiple persons, they shall select one of them to act on their behalf in using the rights related thereto. Such persons shall be jointly liable for liabilities arising from holding the share.

**Article Eleven: Issuance of the Shares:**

1. The Company's shares shall be nominal, and may not be issued in less than their nominal value. Rather, they may be issued in a value higher than such value. In such latter case, the difference of value shall be added under a separate item within the rights of shareholders. The share shall be indivisible against the Company. If a share is held by multiple persons, they shall select one of them to act on their behalf in using the rights related thereto. Such persons shall be jointly liable for liabilities arising from holding the share.

2. The Company may, subject to obtaining non-objection from the Insurance Authority, acquire its shares to become treasury shares and sell the same according to the Companies Law and the controls issued by the control and regulatory authorities. In all cases, the shares acquired by the Company shall have no votes in the shareholders meetings.

3. The Company may, subject to obtaining non-objection from the Insurance Authority, acquire its shares and allocate the same to the Company's employees under the employees' shares program or for any other purpose according to the Companies Law and the controls issued by the control and regulatory authorities. In all cases, the shares acquired by the Company shall have no votes in the shareholders meetings.



12"Attachments of the Twelfth Agenda Item"



# **Amending the Remuneration Policy for the Members of the Board of Directors and its Committees**

**Schedule of amendments to the remuneration policy for the members of the Board of Directors and its committees**

Before modification	After modification
Doesn't exist	<p><b>Article 1: Definitions</b>  The following terms and expressions, wherever mentioned in this policy shall have the meanings indicated opposite each of them, unless the context requires otherwise:</p> <p><b>1. Company:</b> Al Rajhi Company for Cooperative Insurance - Al Rajhi Takaful</p> <p><b>2. Board of Directors:</b> The Company's Board of Directors.</p> <p><b>3. Committees Emanating from the Board:</b>  The committees formed by a decision of the competent authority, affiliated with the Board of Directors, namely:</p> <p>3.1. Executive Committee.</p> <p>3.2. Audit Committee.</p> <p>3.3. Investment Committee.</p> <p>3.4. Remuneration and Nominations Committee.</p> <p>3.5. Risk Management Committee.</p> <p><b>4. Remuneration:</b> The annual remuneration and meeting attendance allowance paid to a member for holding one or more positions on the Board of Directors and its committees. The definition of remuneration does not include compensation paid to a member, such as travel tickets and accommodation costs, to facilitate their attendance at meetings.</p> <p><b>5. Annual Remuneration:</b> The annual remuneration paid to a member for holding one or more positions on the Board of Directors and</p>

its committees. This does not include attendance allowance.

**6. Attendance Allowance:** The allowance due to a member of the Board of Directors or its committees for each meeting they attend, whether the meeting is in person or remotely via modern technology.

**7. Member:** Includes members of the Board of Directors and members of the Board's committees, including the Chairman of the Board and the committee chairs.

**8. Policy:** The remuneration policy for members of the Board of Directors and its committees.

**9. Authority:** The Capital Market Authority (CMA).

**10. General Assembly:** An assembly formed of all shareholders of the company in accordance with the provisions of the Companies Law and the company's bylaws.

**11. Executive Member:** A member of the Board of Directors who is a member of the company's executive management, participates in its daily management activities, and receives a salary from the company for this purpose.

**12. Non-Executive Member:** A board member who is not dedicated to managing the company full-time or receives no salary from the company other than the board and committee membership remuneration.

**13. Independent Member:** A non-executive board member who enjoys complete independence in his or her position and decisions, and who is not subject to any of the constraints of independence stipulated in the Corporate Governance Regulations and the



	<p>main principles of governance in financial institutions subject to the oversight and supervision of the Insurance Authority.</p> <p><b>Executive Management:</b> Persons entrusted with managing the company's day-to-day operations and proposing and implementing strategic decisions, such as the CEO, his deputies, and the CFO.</p>
<p><b>A. Objectives</b></p> <p>This Policy aims to establish and define the principles and controls governing the framework for determining the remuneration of the Board of Directors and the subcommittees formed by the Board.</p> <p>The purpose is to develop a clear and transparent remuneration policy, approved by the Board of Directors and the General Assembly, that incorporates performance-based standards, disclosure requirements, and implementation verification mechanisms, to incentivize Board members to drive strategic success, business growth, and the realization of both short- and long-term objectives.</p>	<p><b>Article 2: Objective of the Policy</b></p> <p>This Policy aims to:</p> <ol style="list-style-type: none"> <li>1. Attract suitable administrative staff for the company and retain them, contributing to the achievement of the company's long-term strategic goals.</li> <li>2. Enhance effective risk management and ensure the safety and stability of the company's financial position.</li> <li>3. Establish clear and precise standards for evaluating the compensation of the company's board members and its subcommittees.</li> </ol>
<p><b>B. Scope</b></p> <p>This Policy applies to the Company and its branches within the Kingdom. It outlines the principles and controls for determining the remuneration, compensation, and any financial benefits granted to members of the Board of Directors and its subcommittees. In addition, the Policy incorporates performance-based criteria for Board members, requirements for disclosing the remuneration determination mechanisms, implementation verification processes, as well as standards for the periodic review, update, and approval of the Policy.</p>	<p><b>Article 3: Scope</b></p> <p>The scope of this policy is designed to provide clear instructions to all board members and their committees, external members of the board, and the audit committee who receive periodic remuneration for their services regarding the mechanisms for determining, disbursing, and disclosing such remuneration. The policy also defines the general framework for governance and the structuring of executive management compensation in the company.</p> <p>The scope of this policy includes:</p> <ol style="list-style-type: none"> <li>1. The chairman and members of the board of directors.</li> </ol>

	<p>2. The chairpersons and members of the committees arising from the board.</p> <p>3. The general framework for governance and structuring of executive management compensation in the company.</p>
<p><b>C. Principles and Controls</b></p> <p><b>1. Principles and Controls</b></p> <p>In accordance with the provisions governing the remuneration of members of the Board of Directors and its subcommittees, as stipulated in the applicable laws and regulations issued by the relevant authorities (i.e., the authority responsible for regulating, supervising, or overseeing the insurance industry in the Kingdom of Saudi Arabia), the remuneration of the Company's members of the Board of Directors and its subcommittees shall be determined based on the following principles and rules:</p> <p>a) The Company shall adhere to the provisions of its Articles of Association, the Companies Law, and relevant implementing regulations. In the event of any conflict between this Policy and any statutory laws or regulations, the statutory or legal text stipulated in the Articles or the regulation shall prevail and be updated accordingly. Any conflicting provisions within this internal Policy shall be disregarded.</p> <p>b) Board members shall not vote on the agenda item related to Board remuneration during the General Assembly meeting.</p>	<p><b>Article 4: Regulatory Framework of the Policy</b></p> <p>Article (59) of the Corporate Governance Regulations issued by the Capital Market Authority indicates that the remuneration policy shall be consistent with the company's strategy and objectives, and that remuneration should be provided to encourage board members and executive management to contribute to the company's success and long-term development. Chapter Four of Part Four of the Executive Regulations of the Companies Law for Listed Joint Stock Companies issued by the Capital Market Authority outlines the controls for determining and disbursing remuneration to board members in joint stock companies. These regulations stipulate that, in determining and disbursing remuneration to each board member—in addition to the controls contained in the Companies Law and the Corporate Governance Regulations—the board shall ensure that remuneration is fair and commensurate with the member's duties, work, and responsibilities, as well as the objectives set by the board of directors to be achieved during the fiscal year. These remunerations should be based on the recommendations of the Nominations and Remuneration Committee and commensurate with the company's activity and the skills and experience required managing it. They should</p>

</

	<table> <tr> <td data-bbox="1150 118 1470 240">Chairman of the Audit Committee</td><td data-bbox="1470 118 1816 240">One hundred thousand riyals (100,000 riyals)</td></tr> <tr> <td data-bbox="1150 240 1470 354">Committee Member excluding the Chairman</td><td data-bbox="1470 240 1816 354">One hundred thousand riyals (100,000 riyals)</td></tr> </table>	Chairman of the Audit Committee	One hundred thousand riyals (100,000 riyals)	Committee Member excluding the Chairman	One hundred thousand riyals (100,000 riyals)				
Chairman of the Audit Committee	One hundred thousand riyals (100,000 riyals)								
Committee Member excluding the Chairman	One hundred thousand riyals (100,000 riyals)								
<p><b>c. Principles and Controls</b></p> <p>2-Controls for Determining and Structuring the Remuneration of Members of the Board of Directors and Subcommittees</p> <p>c) In addition to the provisions of paragraph (b) above, each Board member shall be entitled to an attendance allowance of SR 3,000 (three thousand Saudi riyals) for each Board meeting attended, whether in person or via any communication technology agreed upon by the Board members.</p> <p>d) In addition to the provisions of paragraph (b) above, each member of a Board subcommittee shall be entitled to an attendance allowance of SR 1,500 (one thousand five hundred Saudi riyals) for each committee meeting attended, whether in person or via any communication technology agreed upon by the committee members.</p>	<p><b>Article 6: Attendance Allowance</b></p> <p>1. The attendance allowance for Board members for a single meeting shall be as follows:</p> <table data-bbox="1163 500 1816 686"> <tr> <th data-bbox="1163 500 1463 573">Position</th><th data-bbox="1463 500 1816 573">Annual Remuneration</th></tr> <tr> <td data-bbox="1163 573 1463 686">Chairman and Members of the Board of Directors</td><td data-bbox="1463 573 1816 686">Three thousand riyals (3000 riyals)</td></tr> </table> <p>2. The attendance allowance for members of the committees emanating from the Council, for one meeting, shall be in accordance with the following:</p> <table data-bbox="1163 833 1816 1092"> <tr> <th data-bbox="1163 833 1463 906">Position</th><th data-bbox="1463 833 1816 906">Annual Remuneration</th></tr> <tr> <td data-bbox="1163 906 1463 1092">Chairmen and members of committees emanating from the Board of Directors</td><td data-bbox="1463 906 1816 1092">One thousand five hundred riyals (1,500 riyals)</td></tr> </table>	Position	Annual Remuneration	Chairman and Members of the Board of Directors	Three thousand riyals (3000 riyals)	Position	Annual Remuneration	Chairmen and members of committees emanating from the Board of Directors	One thousand five hundred riyals (1,500 riyals)
Position	Annual Remuneration								
Chairman and Members of the Board of Directors	Three thousand riyals (3000 riyals)								
Position	Annual Remuneration								
Chairmen and members of committees emanating from the Board of Directors	One thousand five hundred riyals (1,500 riyals)								
Doesn't exist	<p><b>Article 7: Multiple Memberships</b></p> <p>In accordance with the provisions of Article (7) of this policy; a member who holds more than one position in the Board of Directors and its committees is entitled to an annual bonus and attendance fees for each position held. Members of the Board of Directors who hold a position in one of the committees arising from the council are exempt from receiving annual bonuses except for attendance fees for the</p>								

	meetings, with the exception of the Audit Committee.
<b>c. Principles and Controls</b> 2-Controls for Determining and Structuring the Remuneration of Members of the Board of Directors and Subcommittees e) In all cases, the total remuneration and any financial or in-kind benefits received by a Board member shall not exceed the limits prescribed in the Company's Articles of Association.	<b>Article 8: Maximum Limit of Bonuses</b> The maximum limit of bonuses that a member of the Board of Directors and its committees may receive - excluding the Audit Committee - is five hundred thousand Riyals (500,000 Riyals) per financial year of the company.
<b>c. Principles and Controls</b> 2-Controls for Determining and Structuring the Remuneration of Members of the Board of Directors and Subcommittees h) The Company shall not grant in-kind shares as remuneration to any member of the Board or any Board subcommittee.	<b>Article 9: Granting Shares</b> The company shall not grant shares as bonuses to any members of the board or its affiliated committees or the Audit Committee.
Doesn't exist	<b>Article 10: Mechanism for Calculating Annual Remuneration</b> 1. A member who serves the full fiscal year of the company, beginning from January 1st to December 31st, is entitled to the full annual remuneration. 2. If a member's term of office is less than a full fiscal year, such member is entitled to an annual remuneration for the portion of the year they held their office. The annual remuneration is calculated from the date they assume their office until the end of the company's fiscal year, on a pro rata basis, such that the annual remuneration for their office is divided into three hundred and sixty-five (365) times the number of days they held their office, beginning

	<p>from the date they assumed their office until the end of the company's fiscal year.</p> <p>3. The remuneration of a member whose membership ends during the fiscal year is calculated on the same basis as stated in Paragraph (2) of this Article.</p> <p>4. Annual remuneration and attendance allowances for current and former members of the Board of Directors and its committees for the previous fiscal year of the company shall be paid upon approval by the annual general assembly of shareholders through transfers to their personal bank accounts.</p>
<p><b>c. Principles and Controls</b>  2-Controls for Determining and Structuring the Remuneration of Members of the Board of Directors and Subcommittees</p> <p>f) The Company shall bear all expenses and costs (including travel and accommodation) incurred by Board members or subcommittee members in connection with attending Board or committee meetings. Such expenses and costs shall not be counted as part of the annual remuneration.</p>	<p><b>Article 11: Compensation</b></p> <p>1. The Company shall bear the travel and accommodation costs of members arriving from outside the city where in-person meetings are held, in accordance with the following criteria:</p> <p>1.1. <b>Travel costs:</b> First-class or business-class airfare.</p> <p>1.2. <b>Accommodation costs:</b> Accommodation in a hotel rated at least five stars.</p> <p>2. The member shall be entitled to compensation for the travel and accommodation costs incurred for arriving to in-person meetings from outside the city where they are held, in accordance with the criteria set forth in Paragraph (1) of this Article, and upon providing proof of their ability to bear them.</p>
<p><b>c. Principles and Controls</b>  3-Suspension and/or Recovery of Remuneration</p>	<p><b>Article 12: Ineligibility for Remuneration</b></p> <p>1. Ineligibility due to Absence from Meetings:</p> <p>1.1. Board of Directors: If the General Assembly of Shareholders of the Company</p>



<p>The disbursement of remuneration shall be suspended and/or any disbursed remuneration shall be recovered from any Board member, or a claim for compensation for damage to the Company's reputation shall be made, upon the occurrence of any of the following:</p> <p>a) If it is established that the remuneration disbursed to any Board member was based on incorrect or misleading information presented to the General Assembly or included in the Board of Directors' annual report, the member shall be obligated to return such remuneration to the Company, and the Company shall be entitled to claim recovery of such remuneration.</p> <p>b) If a member is absent from three consecutive Board meetings within a single year without a valid excuse accepted by the Board of Directors, and the General Assembly resolves to terminate their membership in such case, that member shall not be entitled to any remuneration for the period following their last attended meeting and shall be required to return all remuneration disbursed to them for that period.</p>	<p>decides to terminate the membership of a member of the Board of Directors due to his absence from three consecutive Board meetings, or five separate meetings during his term, without a legitimate excuse acceptable to the Board; Such a member shall not be entitled to any remuneration for the period following the last meeting they attended, and they shall return all remuneration paid to them for that period to the company.</p> <p>1.2. Board Committees - Except the Audit Committee: If the Board of Directors decides to terminate the membership of a member of a Board committee due to their absence from three consecutive meetings of the committee they are a member of, or five separate meetings during their term of membership, without a valid excuse acceptable to the committee of which they are a member, such member shall not be entitled to any remuneration for the period following the last meeting they attended, and they shall return all remuneration paid to them for that period to the company.</p> <p>1.3. Audit Committee: If the General Assembly of Shareholders decides to terminate the membership of a member of the Audit Committee due to their absence from three consecutive meetings, or five separate meetings during their term of membership, without a valid excuse acceptable to the committee, such member shall not be entitled to any remuneration for the period following the last meeting they attended, and they shall return all remuneration paid to them for that period to the company.</p>
--	--

	<p><b>2. Disqualification due to providing incorrect information:</b></p> <p>If the Audit Committee or the Authority determines that the remuneration paid to any member was based on incorrect or misleading information presented to the General Assembly or included in the Board of Directors' annual report, the member shall return it to the company.</p>						
<p><b>c. Principles and Controls</b></p> <p>2-Controls for Determining and Structuring the Remuneration of Members of the Board of Directors and Subcommittees</p> <p>i) The Board of Directors shall disclose, in its annual report and in accordance with regulatory requirements, the details of remuneration, the relevant policies, and the mechanisms used for determining them.</p>	<p><b>Article 13: Disclosure and Transparency</b></p> <p>1. The Company shall disclose this policy in accordance with relevant regulations and instructions.</p> <p>2. The Company shall accurately and transparently disclose the remuneration granted to members of the Board of Directors and its committees in the Board of Directors' annual report.</p>						
<p><b>c. Principles and Controls</b></p> <p><b>4- References</b></p> <p>1. Corporate Governance Regulations 2021 (Capital Market Authority).</p> <p>2. Insurance Corporate Governance Regulations 2015 (Saudi Central Bank).</p>	<p><b>Article 14: Compliance with Regulations</b></p> <p>1. This policy has been prepared in accordance with relevant regulations, rules, and instructions, including:</p> <table border="1" data-bbox="1255 1010 1814 1421"> <thead> <tr> <th data-bbox="1255 1010 1541 1122">Law/Regulations</th><th data-bbox="1541 1010 1814 1122">The authority supervising its implementation:</th></tr> </thead> <tbody> <tr> <td data-bbox="1255 1122 1541 1234">Companies Law</td><td data-bbox="1541 1122 1814 1234">Ministry of Commerce and the CMA</td></tr> <tr> <td data-bbox="1255 1234 1541 1421">Executive Regulations of the Companies Law for Listed Joint Stock Companies</td><td data-bbox="1541 1234 1814 1421">The Capital Market Authority</td></tr> </tbody> </table>	Law/Regulations	The authority supervising its implementation:	Companies Law	Ministry of Commerce and the CMA	Executive Regulations of the Companies Law for Listed Joint Stock Companies	The Capital Market Authority
Law/Regulations	The authority supervising its implementation:						
Companies Law	Ministry of Commerce and the CMA						
Executive Regulations of the Companies Law for Listed Joint Stock Companies	The Capital Market Authority						

	<table border="1" data-bbox="1255 125 1822 760"> <tr> <td data-bbox="1255 125 1539 277">Cooperative Insurance Companies Control Law</td><td data-bbox="1539 125 1822 277">Insurance Authority</td></tr> <tr> <td data-bbox="1255 277 1539 496">Executive Regulations of the Cooperative Insurance Companies Control Law</td><td data-bbox="1539 277 1822 496">Insurance Authority</td></tr> <tr> <td data-bbox="1255 496 1539 610">Corporate Governance Regulations</td><td data-bbox="1539 496 1822 610">The Capital Market Authority</td></tr> <tr> <td data-bbox="1255 610 1539 760">Insurance Companies Governance Regulations</td><td data-bbox="1539 610 1822 760">Insurance Authority</td></tr> </table> <p data-bbox="1161 797 1822 1016">2. In the event of a violation of any provision of this policy with respect to any relevant laws and regulations, the conflicting provision of the policy shall be canceled until amended to comply with the laws, and the provisions of the law or regulation shall apply.</p>	Cooperative Insurance Companies Control Law	Insurance Authority	Executive Regulations of the Cooperative Insurance Companies Control Law	Insurance Authority	Corporate Governance Regulations	The Capital Market Authority	Insurance Companies Governance Regulations	Insurance Authority
Cooperative Insurance Companies Control Law	Insurance Authority								
Executive Regulations of the Cooperative Insurance Companies Control Law	Insurance Authority								
Corporate Governance Regulations	The Capital Market Authority								
Insurance Companies Governance Regulations	Insurance Authority								
Doesn't exist	<p data-bbox="1161 1057 1822 1125"><b>Article 15: Rewards and Compensations for the Executive Management</b></p> <p data-bbox="1161 1130 1822 1235">Firstly: The following should be considered in the rewards and compensations for the executive management:</p> <ol data-bbox="1161 1240 1822 1421" style="list-style-type: none"> <li data-bbox="1161 1240 1822 1308">1. Consistency with the company's strategy and objectives.</li> <li data-bbox="1161 1313 1822 1421">2. That the rewards should aim to encourage the executive management to succeed and grow the company in the long term.</li> </ol>								

3. That the rewards are determined based on the level of the position, the tasks and responsibilities assigned qualifications, work experience, skills, and performance level.
4. Consistency with the size, nature, and level of risk within the company.
5. Taking into account the practices of other companies when determining rewards, while avoiding any resulting unjustified increase in rewards and compensations.
6. Targeting the attraction, retention, and motivation of professional talents without exaggerating.
7. Executive management members should not receive commissions or rewards for the business they help secure for the company, and no part of the rewards and compensations for executive management should be directly linked to the company's business volume (insurance premiums), except for sales department managers.

**Secondly: The Structure of Rewards and Compensation**

1. The Board of Directors shall ensure that the level and structure of rewards and compensation are fair and aligned with the company's objectives, encourage prudent practices, avoid taking high risks to achieve short-term returns, and comply with the company's risk management policy, while also avoiding any conflicts of interest that could negatively impact the company's performance. The objective should be to achieve the interests of the insured parties, shareholders, and the company's long-term strategic goals.

	<p>2. In designing the structure of rewards and compensation, it should promote the neutrality and independence of control functions (such as internal audit and compliance monitoring), and the performance evaluation of employees in control functions and determining their rewards should be done without interference from the company's executive management.</p>
Doesn't exist	<p><b>Article 16: Review and Approval</b></p> <ol style="list-style-type: none"> <li>1. The Board of Directors shall review the remuneration and compensation policy and consider the need to amend it at least annually.</li> <li>2. The Board of Directors, after considering any amendments proposed by the Remuneration and Nominations Committee to this policy, shall present it to the company's shareholders' assembly for voting and adoption.</li> <li>3. Members of the Board of Directors and its subcommittees shall not vote on the approval of this policy, or on the item regarding the compensation of the members of the Board of Directors and its subcommittees in the general assembly meeting.</li> </ol>
Doesn't exist	<p><b>Article 17: Language</b></p> <p>This policy has been issued in both Arabic and English, and in case of conflict, the Arabic text shall prevail.</p>
Doesn't exist	<p><b>Article 18: Expiration and Replacement</b></p> <ol style="list-style-type: none"> <li>1. This policy was proposed by the Board of Directors to the General Assembly of the Company's Shareholders following a</li> </ol>

	<p>recommendation from the Compensation and Nominations Committee.</p> <ol style="list-style-type: none"><li>2. This policy shall be implemented as of the date of its approval by the General Assembly of the Company's Shareholders.</li><li>3. This policy replaces the policy on the compensation of Board Members and the committees arising from it, approved by the resolution of the General Assembly held on 23-05-2022.</li><li>4. This policy is complementary to the policies and procedures of the Board of Directors and the committees arising from it and shall be interpreted in light of it. In case of any conflict between the provisions of this policy and any provision contained in those policies and procedures, the provisions of this policy shall prevail.</li><li>5. The Company shall notify the Insurance Authority of this policy within twenty-one (21) days from the date the General Assembly of the Company's Shareholders approves it or any amendments made to it.</li></ol>
--	---



13"Attachments of the Thirteenth Agenda Item"



## **Schedule of amendments to the governance policy**



### Schedule of amendments to the governance policy

Before amendment	After amendment
<p>1- Preface:</p> <p>1- Corporate governance is the system through which the company is directed and monitored by its management to achieve the best interest of shareholders and others.</p> <p>2. The Corporate Governance Manual, commonly referred to as the "Manual", is a framework for the manner in which corporate governance is carried out within Al Rajhi Cooperative Insurance Company (Al Rajhi Takaful) (referred to as Al Rajhi Takaful).</p> <p>3- These policies are restricted in accordance with the regulations of the regulatory authorities and the philosophy of Al Rajhi Takaful Company to establish and maintain corporate governance policies and practices that reflect the needs of the market, the market regulator, the expectations of shareholders</p>	<p><b>Article 1: Definitions</b></p> <p><b>Company:</b> Al Rajhi Company for Cooperative Insurance (Al Rajhi Takaful)</p> <p><b>Insurance Authority:</b> The authority responsible for regulating the insurance sector within the Kingdom of Saudi Arabia.</p> <p><b>Authority:</b> The Capital Market Authority.</p> <p><b>The Board of Directors (the Board):</b> The Board of Directors of Al Rajhi Company for Cooperative Insurance (Al Rajhi Takaful).</p> <p><b>The Chairman of the Board of Directors (the Board Chairman):</b> A Non-executive Board member elected by the Board to preside over its meetings and organize its activities.</p> <p><b>Chief Executive Officer (CEO):</b> The most senior executive in the Company's executive management, responsible for overseeing the day-to-day operations of the Company.</p> <p><b>Related Parties:</b></p> <ol style="list-style-type: none"> <li>1. Subsidiaries of the Company, excluding those wholly owned by the Company.</li> <li>2. Major shareholders of the Company.</li> <li>3. Members of the Board of Directors and Senior Executives of the Company.</li> <li>4. Members of the Boards of Directors of the Company's subsidiaries.</li> <li>5. Members of the Boards of Directors and Senior Executives</li> </ol>

<p>and others who deal with the company. The Board of Directors collaborates with the company's management team to achieve this goal with a focus on preserving and enhancing shareholder value.</p> <p>2- Definitions:</p> <p>a) The words and expressions mentioned in this guide shall have the meanings assigned to them in the Law and in the glossary of terms used in the regulations and rules of the Capital Market Authority and the Saudi Arabian Monetary Agency.</p> <p>b) For the purpose of applying the provisions of this Guide, the words and expressions below shall have the meanings assigned to each of them unless the context otherwise requires.</p> <p>Institution: Saudi Arabian Monetary Agency</p> <p>"Authority" means the Capital Market Authority.</p> <p>Market: Saudi Stock Exchange .</p> <p>Board of Directors (Board): The Board of Directors of the Company recognized under the regulations in</p>	<p>of the Company's major shareholders.</p> <p>6. Relatives of any of the individuals referred to in Clauses (1), (2), (3), or (5) above.</p> <p>7. Any entity controlled by any of the individuals referred to in Clauses (1), (2), (3), (5), or (6) above.</p> <p><b>Related Company:</b> Any company (or group of companies deemed a single unit by the Insurance Authority) that owns 5% or more of the share capital of an insurer and/or reinsurer, or any company in which the insurer and/or reinsurer (individually or jointly with a group of companies deemed a single unit by the Insurance Authority) holds 5% or more of its share capital.</p> <p><b>Related Persons:</b> Family members including father, mother, spouse, and children, as well as any individual or entity with a business relationship that could influence decision-making, and any entity in which a Board member holds more than 5% ownership.</p> <p><b>Major Shareholders:</b> Natural or legal persons who, directly or indirectly, individually or jointly with others, exercise control over 5% or more of the Company's share capital.</p> <p><b>Executive Director:</b> A Board member who is also part of the Company's executive management and is actively involved in its day-to-day operations.</p> <p><b>Non-Executive Director:</b> A Board member who provides independent and technical input to the Board without any involvement in the Company's management or day-to-day operations.</p> <p><b>Independent Director:</b> A Board member who maintains full independence from the Company and its executive management. This means that this Board member is fully independent from management and the Company. Independence refers to the ability to exercise objective judgment after considering all relevant information without influence from management or third parties. A Director shall not</p>
---	---

<p>force in the Kingdom of Saudi Arabia.</p> <p>Chairman of the Board of Directors (Chairman of the Board): One of the non-executive members of the Board elected by the Board to preside over its meetings and organize its work.</p> <p>Vice Chairman (Vice Chairman of the Board): A non-executive member of the Board elected by the Board.</p> <p>CEO: The senior executive officer in the company, responsible for the day-to-day management of the company, regardless of the job title.</p> <p>Company(s): The insurance and/or reinsurance company licensed by the Organization under the Cooperative Insurance Companies Control Law and its Executive Bylaws.</p> <p>Related Company: Any company (or a company from a group of companies that the Organization may consider a single unit) that owns five percent or more of the capital of the insurance and/or reinsurance company, or the company that owns the insurance</p>	<p>be considered independent where any of the impediments to independence outlined in this Policy are present.</p> <p><b>Senior Positions:</b> Positions encompassing membership on the Board of Directors and senior management.</p> <p><b>Stakeholders:</b> any person or party who has an interest in the Company, including shareholders, policyholders, creditors, suppliers, claimants, employees, reinsurers, and supervisory and regulatory authorities.</p> <p><b>Shareholders' Assembly:</b> A convened assembly comprised of the shareholders of the Company in accordance with the provisions stipulated in the Companies Law and the Company's Articles of Association.</p> <p><b>Relatives:</b></p> <ul style="list-style-type: none"> <li>a) Fathers, mothers, grandfathers and grandmothers (and their ancestors).</li> <li>b) Children and grandchildren and their descendants.</li> <li>c) Siblings, maternal and paternal half-siblings.</li> <li>d) - Husbands and wives</li> </ul> <p><b>Senior Management / Executive Management (Company Management):</b> Includes the Managing Director, Chief Executive Officer, General Manager and their deputies, the Chief Financial Officer, heads of key departments, and individuals responsible for the functions of risk management, internal audit, and compliance, or their equivalents, as well as any other positions determined by the Insurance Authority.</p> <p><b>Remunerations:</b> amounts, allowances, dividends and the like, periodic or annual bonuses linked to performance, long or short-term incentive plans and any other in-kind benefits except the actual reasonable expenses and fees incurred by the Company to enable the Board member to perform his duties.</p> <p><b>Minority shareholders:</b> The shareholders representing a non-controlling group of the Company so that they are not influential.</p>
--	---

<p>and/or reinsurance company (alone or jointly with a group of companies that the Organization may consider one unit) five percent or more of its capital.</p> <p>Related: Family members of the father, mother, husband, wife and children, or those who have a business relationship that may influence decision-making, and any of the institutions in which any member of the Board of Directors owns more than 5%.</p> <p>Relatives or kinship:</p> <p>Fathers , mothers, grandparents, and grandmothers, even if they are higher.</p> <p>The children, and their children, even if they descended.</p> <p>Brothers and sisters, siblings, father, or mother.</p> <p>Husbands and wives.</p> <p>Major Shareholders: Any person who owns 5% or more of the company's shares or voting rights therein.</p> <p>Executive Board Member: A member of the Board of Directors who is a member of the executive</p>	<p><b>Controlling Interest:</b> The ability to influence actions or decisions of another person directly, indirectly, individually or collectively with a relative or an affiliate through:</p> <p>a) owning %30 or more of the voting rights in a company,</p> <p>b) having the right to appoint %30 or more of the administrative team members.</p> <p><b>Article 2: Preamble</b></p> <p>a) This Policy shall be read in conjunction with the following:</p> <ol style="list-style-type: none"> <li>1. The Cooperative Insurance Companies Control Law issued by Royal Decree No. M/32 dated 2/06/1424H, and its Implementing Regulations.</li> <li>2. The Companies Law.</li> <li>3. The Corporate Governance Regulations, the Rules on the Offer of Securities and Continuing Obligations issued by the Capital Market Authority.</li> <li>4. The rules, regulations, and directives issued by the Insurance Authority.</li> <li>5. The Company's Articles of Association.</li> </ol> <p>b) The Board of Directors shall have the right to review and amend this Policy in accordance with applicable laws and regulations.</p> <p>c) This Policy and all amendments thereto shall be consistent with the regulations and rules of the Insurance Authority and any other applicable regulations, including those issued by the Capital Market Authority.</p> <p>d) This Policy is issued in both Arabic and English. In the event of any discrepancy, the Arabic text shall prevail.</p>
---	--

<p>management of the company and participates in the day-to-day management of the company.</p> <p>Non-Executive Board Member: A member of the Board of Directors who provides technical opinion and advice and is not involved in any way in the management of the Company and the follow-up of its day-to-day business.</p> <p>Independent Board Member: A non-executive board member who enjoys complete independence, which means that the member is fully independent of management and the company, and independence means the ability to judge matters after taking into account all relevant information without any influence from management or external parties.</p> <p>An independent board member must be able to exercise his duties, express his opinions and vote on decisions objectively and impartially, in a manner that helps the board of directors to take sound decisions that contribute to achieving the interests of the company.</p>	<p>e) This Policy shall become effective as of the date of its approval by the General Assembly.</p> <p><b>Article 3: Objectives of the Internal Corporate Governance Policy of Al Rajhi Takaful Company</b></p> <p>The primary objective and overarching aspiration of the Board of Directors is to promote the Company's development and enhance its long-term value. Corporate governance aims to achieve the following in relation to the Company's shareholders, beneficiaries, and other stakeholders:</p> <p>a) Safeguarding the rights of shareholders.</p> <p>b) Ensuring equal treatment of all shareholders.</p> <p>c) Taking into account the interests of beneficiaries.</p> <p>d) Adhering to the legal duties prescribed by applicable laws and regulations.</p> <p>e) Establishing a soundly structured Board of Directors capable of making independent and objective decisions on all matters.</p> <p>f) Ensuring an appropriate balance in the composition of the Board by including a sufficient number of non-executive and independent directors who are attentive to the interests of shareholders and other stakeholders.</p> <p>g) Adoption by the Board of transparent procedures and practices, and basing its decisions on robust and adequate information.</p> <p>h) Establishment by the Board of effective mechanisms to address and serve the interests and affairs of beneficiaries.</p>
---	---

<p>The Board of Directors shall conduct an annual assessment of the extent to which the independence of the member has been achieved and ensure that there are no relationships or circumstances that affect or could affect him.</p> <p>Executive management or senior executives: persons entrusted with managing the company's day-to-day operations, proposing and implementing strategic decisions such as the CEO , his deputies and the Chief Financial Officer.</p> <p>Leadership positions: include membership of the Board of Directors and senior management.</p> <p>Stakeholders: Persons or parties who have an interest in what the Company does, including shareholders, insured, claimants, company employees, reinsurers and supervisory authorities.</p> <p>Related Parties:</p> <p>a) Major shareholders of the company.</p>	<p>i) Ensuring that the Board consistently informs shareholders and the public of material developments impacting the Company.</p> <p>j) Effective and efficient oversight by the Board of the performance of the management team.</p> <p>k) Ensuring that the Board at all times assumes full responsibility for the Company's affairs.</p> <p><b>Article 4:</b> Internal Bylaws, Controls, and Procedures</p> <p>1. The Board of Directors shall review the Company's Corporate Governance Policy at least once annually and recommend any proposed amendments to the General Assembly. The Insurance Authority shall be notified of any amendments to the Corporate Governance Policy within 21 business days from the date of approval.</p> <p>2. The Board shall review the Company's Remuneration and Compensation Policy at least once annually and consider the necessity of amending it. The Insurance Authority shall be notified of any amendments to that Policy within 21 business days from the date of approval.</p> <p>3. The Company shall provide the Insurance Authority with a copy of the approved organizational structure—if amended—following its approval by the Board of Directors, as well as any subsequent</p>
---	---

<p>b) Members of the Board of Directors of the Company or any of its subsidiaries and their relatives.</p> <p>c) Senior executives of the company or any of its subsidiaries and their relatives.</p> <p>d) Members of the Board of Directors and senior executives of the major shareholders of the Company.</p> <p>e) Establishments – other than companies – owned by a board member, senior executive or their relatives.</p> <p>f) Companies in which any of the directors or senior executives or their relatives are a partner.</p> <p>g) Companies in which any of the members of the Board of Directors, senior executives or their relatives are a member of the Board of Directors or senior executives thereof.</p> <p>h) Joint stock companies in which any of the members of the Board of Directors, senior executives or their relatives owns 5% or more, subject to the provisions of paragraph (d) of this definition.</p>	<p>amendments, within 21 business days from the date of approval.</p> <p>4. The Company shall maintain a system for the objective and systematic evaluation of the performance of its employees at all levels. Specifically, the performance evaluation of senior management shall be predicated upon a long-term basis.</p> <p><b>Article 5: Accountability</b></p> <p>1. To safeguard the rights and interests of shareholders and other stakeholders, the corporate governance structure shall reflect the accountability of senior management to the Board of Directors and the accountability of the Board to the shareholders through relevant internal regulations and policies.</p> <p>2. The Board shall be ultimately accountable and responsible for the performance, conduct, and regulatory compliance of the Company. Delegating authority to Board committees or senior management shall not absolve the Board of its responsibilities. Furthermore, the Board shall be responsible for the performance of third parties engaged to perform jobs or manage certain functions.</p> <p><b>Article 6: Disclosure and Transparency</b></p> <p>a) Without prejudice to the Rules on the Offer of Securities and Continuing Obligations, the Board shall set forth in writing the policies, procedures and supervisory rules related to disclosure pursuant to the disclosure requirements provided for in the</p>
---	---



<p>i) Companies in which any of the members of the Board of Directors, senior executives or their relatives have influence in their decisions, even by providing advice or guidance.</p> <p>j) Anyone whose advice and guidance influence the decisions of the company, its board members and senior executives.</p> <p>k) Holding companies or subsidiaries of the company.</p> <p>Excluded from paragraphs (i) and (j) of this definition are advice and guidance provided professionally by an authorized person.</p> <p>Group: In relation to a person means that person and each of his subordinates.</p> <p>Continued: A person who controls another person, or is controlled by that other person, or shares with him being controlled by a third person. In any of the foregoing, control is direct or indirect.</p> <p>Cumulative Voting: A voting method by which the members of the Board of Directors are selected where the shareholder is granted the right to vote equal to the number of</p>	<p>Companies Law and the Capital Market Law, as the case may be, and their implementing regulations, taking into consideration the following:</p> <ol style="list-style-type: none"> <li>Such policies shall include proper disclosure methods that enable the shareholders and other Stakeholders to access the financial and non-financial information pertaining to the Company's performance, and to obtain a comprehensive view of the Company's position.</li> <li>Disclosure to shareholders and investors shall be made without discrimination in a clear, correct and non-misleading fashion, and in a timely, regular and accurate manner, in order to enable shareholders and other Stakeholders to exercise their rights to the fullest extent.</li> <li>Reporting systems shall be developed to define the information that shall be disclosed and the method of classifying such information by its nature or disclosure frequency.</li> <li>Disclosure policies shall be periodically reviewed to ensure alignment with best practices and with the provisions of the Capital Market Law and its Implementing Regulations.</li> </ol> <p>b) The Board of Directors shall regulate disclosure activities pertaining to each of its members and members of the executive management, taking into account the following:</p> <ol style="list-style-type: none"> <li>A special register shall be maintained for the disclosures of members of the Board and executive</li> </ol>
--	---



<p>shares he owns, and he may use them in full to vote for one candidate or distribute them to more than one without voting more than once.</p> <p>Minority shareholders: Shareholders who represent a category of shareholders who do not manage the company and are therefore unable to influence the company.</p> <p>Controlling share: The ability to influence the actions or decisions of another person, directly or indirectly, individually or collectively with a relative or subordinate, by: (a) having 30% or more of the voting rights in a company and (b) having the right to appoint 30% or more of the members of the administrative apparatus.</p> <p>Corporate Governance: Rules for the company's leadership and guidance that include mechanisms to regulate the various relations between the Board of Directors, executive directors, shareholders and stakeholders, by setting special rules and procedures to facilitate the decision-making process and</p>	<p>management, and it shall be updated periodically in accordance with the disclosure requirements under the Companies Law and the Capital Market Law and their implementing regulations.</p> <p>2. The register shall be made available for review by the Company's shareholders free of charge.</p> <p>c) With respect to the disclosure of remuneration, the Board of Directors shall:</p> <ol style="list-style-type: none"> <li>1. Disclose the remuneration policy and the methodology for determining the remuneration of Board members and executive management.</li> <li>2. Disclose, with accuracy, transparency, and detail in the Board of Directors' report, all remuneration granted to Board members and executive management, whether directly or indirectly, without concealment or misrepresentation, regardless of the nature or designation of such amounts, benefits, or privileges. If such benefits consist of shares in the Company, their recorded value shall be the market value at the vesting date.</li> <li>3. Clarify the relationship between the granted remuneration and the applicable remuneration policy, and disclose any material deviation from such policy.</li> <li>4. Provide detailed information regarding remuneration and compensation paid individually to: <ul style="list-style-type: none"> <li>• Members of the Board of Directors.</li> <li>• Five highest-paid senior executives, including the Chief Executive Officer and Chief Financial Officer.</li> </ul> </li> </ol>
--	---

<p>give it a transparent and credible character in order to protect the rights of shareholders and stakeholders and achieve justice, competitiveness and transparency in the market and business environment.</p> <p>Shareholders' Assembly: An assembly formed by the company's shareholders in accordance with the provisions of the Companies Law and the Company's Articles of Association.</p> <p>3. Purpose</p> <p>a) The purpose of the corporate governance manual is to be a guide for members of the Board of Directors, members of the company's management team and heads of departments, as it helps the company's management in adhering to the company's governance guidelines and applying best practices in disclosure.</p> <p>b) This guide aims to establish detailed internal policies and procedures to be adhered to, ensuring that shareholder value is supported in the long term through</p>	<ul style="list-style-type: none"><li>• Committee members.</li></ul> <p><b>Article 7: Fitness and Propriety of Individuals</b></p> <p>1. Members of the Board, Board committees, and Senior Management shall be trustworthy and shall have the integrity, competency, knowledge, and experience to fulfill their respective roles and shall comply with all laws, regulations, rules and instructions issued by the Insurance Authority at all times, in particular, the requirements for appointment to leadership positions in financial institutions under the supervision of the Insurance Authority.</p> <p>2. All appointments to leadership positions including, members of the Board of Directors and its committees, shall be made in accordance with the Insurance Authority's Requirements for Appointments to Leadership Positions in the Financial Institutions.</p> <p>3. Major Shareholders shall be of good conduct and reputation, financially sound, with no convictions related to committing any action involving moral dishonesty or contravention of laws and regulations in the Kingdom of Saudi Arabia or any other jurisdiction.</p> <p><b>Article 8: Independence</b></p> <p>1. The governance structure of the Company shall support independent decision making throughout the organization by, for example, establishing clear separation of duties between the Board and the Management, enhancing the</p>
---	--

<p>clear and confirmed disclosure and representation.</p> <p>4- Review and update the guide</p> <p>a) The guide is a statement of the current policies at Al Rajhi Takaful Company. These policies have been developed and will be reviewed periodically in accordance with the company's philosophy.</p> <p>b) The regulation complies with the Corporate Governance Regulations issued by the Saudi Arabian Monetary Authority and the Capital Market Authority.</p> <p>c) Amendments and revisions will take the form of modified policies and the amendments shall be accompanied by an explanation indicating that the amended policies cancel and replace the previous policy.</p> <p>d) The manual shall be amended after the adoption of the amended policies by canceling the old text and replacing it with the new one or canceling it without replacing it.</p> <p>e) The Corporate Governance Regulations shall be reviewed by the Board of Directors on an annual basis and any proposals to amend</p>	<p>independence of control functions, and controlling the risk of conflict of interest.</p> <p>2. The Board should leverage the services of independent external parties to provide assurance on the adequacy and effectiveness of the governance structure and processes of the Company, and on other technical areas, where the Board might lack relevant expertise.</p> <p><b>Article 9: Conflicts of Interest Policy</b></p> <p>a) Without prejudice to the provisions of the Companies Law and its implementing regulations regarding conflicts of interest situations and related parties transactions, the Board shall develop an explicit and written policy to deal with actual and potential conflicts of interest situations which may affect the performance of Board members, a member of its committees, or the executive management or any other employees of the Company when dealing with the Company or other Stakeholders. This policy shall include the following in particular:</p> <p>1. Informing members of the Board and its committees, major shareholders, senior executives and other employees of the Company of the importance of avoiding situations that may lead to a conflict between their interests and the interests of the Company, and dealing with them in accordance with the provisions of the Companies Law and its implementing regulations.</p>
--	--

<p>them shall be recommended to the Assembly, provided that the Organization shall be notified of any amendments to the Bylaws within (21) working days from the date of approval of the amendment.</p> <p>5. Amendment Procedure</p> <p>Any changes to the manual shall be listed jointly with the Chief Financial Officer and submitted to the Chief Executive Officer in the following cases:</p> <ul style="list-style-type: none"> <li>a) Any change in statutory texts approved by regulators.</li> <li>b) Any new rules set by the Saudi Arabian Monetary Agency in relation to the insurance industry.</li> <li>c) Any operating requirements as approved by the Company's management.</li> <li>d) Amendments are appropriately documented and reworked and then submitted to the Company's Board of Directors for approval.</li> <li>e) The manual and all amendments thereto must comply with the regulations of the Saudi Arabian Monetary Agency and other relevant regulations (including the</li> </ul>	<ul style="list-style-type: none"> <li>2. Providing examples of conflicts of interest situations that are relevant to the nature of the Company's activity.</li> <li>3. Clear procedures for disclosing conflicts of interest in the activities that may lead to such conflicts and obtaining authorization or the requisite approval.</li> <li>4. The obligation to constantly disclose situations that may lead to conflicts of interest or upon the occurrence of such conflicts.</li> <li>5. The obligation to abstain from voting or taking part in decision making when there is conflicts of interest.</li> <li>6. Clear procedures when the Company contracts or enters into a transaction with a related party, this shall include notifying the Authority and the public without any delay of that contract or transaction if it equals to or exceeds 1% of the Company's total revenues according to the last annual audited financial statements.</li> <li>7. Procedures to be taken by the Board when discovering that such policy is violated.</li> <li>b) The Company shall take reasonable measures to identify cases of potential conflict of interest and have clear written procedures for dealing with those cases in a fair and transparent manner.</li> <li>c) The Board Chairman shall provide the General Assembly with details of insurance contracts in which members of the Board or senior management or their</li> </ul>
---	---

<p>rules and regulations of the Capital Market Authority).</p> <p>6- Effective Date</p> <p>This guide shall be effective from the date of approval by the Board of Directors and approval by the General Assembly.</p> <p>1. Public policies</p> <p>a) The company is committed to maintaining the highest standards of corporate governance in its dealings with various shareholders.</p> <p>b) Corporate governance standards are an integral part of the company's core values which include transparency, integrity, honesty, responsibility and adherence to the Code of Professional Conduct.</p> <p>c) Develop a remuneration and compensation policy that is compatible with the requirements of these Regulations after its approval by the Board of Directors, and provide the Organization with a copy thereof within (180) calendar days from the date of issuance of these Regulations. The Board of Directors should review them and consider the need to amend them at</p>	<p>related parties have an interest, including the line of business, size, and associated losses, if any.</p> <p><b>Article 10:</b> Avoidance of Conflicts of Interest</p> <p>a) A Board member shall:</p> <p>1. Perform his/her duties with honesty and integrity, and not prioritize his/her own interest over the interests of the Company and its shareholders, and not use his/her position to achieve personal interests.</p> <p>2. Avoid situations of conflicts of interest and notify the Board of situations of conflict which may affect his/her neutrality when looking into matters presented before the Board. The Board shall not allow such member to be involved in deliberations and shall not count his/her vote when voting on such matters in the Board and the Shareholders' Assemblies meetings.</p> <p>3. Protect the confidentiality of the information related to the Company and its activities, and not disclose any of such information to any person.</p> <p>4. No member of the Board of Directors or senior management shall have any personal interest, whether direct or indirect, in business transactions or contracts conducted on behalf of the Company, unless authorized by the General Assembly, with such authorization to be renewed annually. An exception shall apply to transactions awarded through public tender, provided that the concerned member has submitted the most favorable offer. The member</p>
--	---

<p>least annually, provided that any amendments to the Bylaws are notified to the Organization within (21) working days from the date of approval of the amendment.</p> <p>d) Develop a code of professional conduct after its approval by the Board of Directors to ensure that the company's activities are carried out in a fair and ethical manner.</p> <p>e) Provide the Organization with a copy of the organizational structure after its approval by the Company's Board of Directors and any amendments made thereto later within (21) working days from the date of approval of the structure or amendment.</p> <p>f) Ultimate responsibility for the performance, behaviors and regulatory compliance of the Company lies with the Board of Directors. Delegating authority to Board committees or senior management does not relieve the Board of its responsibility. The Board is also responsible for the performance of other parties contracted to perform tasks or manage certain functions.</p>	<p>of the Board of Directors or senior management shall disclose to the Board any personal interest they may have in any transaction or contract carried out on behalf of the Company, and such disclosure shall be recorded in the minutes of the relevant Board meeting. A Board member who has a vested interest in the subject matter shall not participate in the vote on the relevant resolution at the General Assembly or Board meeting. The Board Chairman shall, upon the convocation of the General Assembly, notify the General Assembly of any business transactions and contracts in which a member of the Board or senior management has a personal interest, and the respective amounts thereof, and shall append to such notification a special report from the external auditors.</p> <p>b) Whoever wishes to nominate himself for membership of the Board shall disclose to the Board and the General Assembly any cases of conflict of interest in accordance with the procedures established by the Capital Market Authority, including:</p> <ol style="list-style-type: none"><li>1. The existence of a direct or indirect interest in any business or contract concluded for the account of the Company for whose Board of Directors the person seeks nomination.</li><li>2. Participation in any business that may compete with the Company or compete with it in any of its business lines.</li></ol>
---	--

<p>2- Principles of good governance in corporate governance</p> <p>Al Rajhi Takaful has identified the following points as key principles of corporate governance:</p> <ul style="list-style-type: none"><li>a) Transparency in the work procedures of the Board of Directors and the independence of its work.</li><li>b) Leadership, supervision, internal control and risk management.</li><li>c) Take responsibility to shareholders through strong communication with them and disclosure procedures.</li><li>d) Integrity with all shareholders.</li><li>e) Quality of products and services.</li><li>f) Social, legal and environmental aspects.</li><li>g) Al Rajhi Takaful Company's focus on achieving good corporate governance through policies that are consistent with the previous principles.</li></ul> <p>3. Objectives</p> <p>The overall goal and endeavor of the Board of Directors is to advance the company and enhance long-</p>	<ul style="list-style-type: none"><li>c) Each Board member is prohibited from misusing or benefiting, directly or indirectly, from any of the Company's assets, information or investment opportunities presented to the Company or to him in his/her capacity as a member of the Board. This includes investment opportunities which are within the activities of the Company, or which the Company wishes to make use of. Such prohibition shall extend to Board member who resigns to, directly or indirectly, use investment opportunities that the Company wishes to use, which came to his/her knowledge during his/her membership in the Board.</li><li>d) No member of the Board of Directors, member of its committees, or senior executive shall accept gifts from any person having commercial dealings with the Company if such gifts could give rise to a conflict of interest.</li></ul> <p><b>Article 11: Concept and Rules of Competitive Conduct</b></p> <ul style="list-style-type: none"><li>a) The following shall be deemed a participation in any business that may compete with the Company or any of its business lines:<ul style="list-style-type: none"><li>1. The Board members' establishing a company or a sole proprietorship or the ownership of a controlling percentage of shares or stakes in a company or any other entity engages in business activities that are similar to the activities of the Company or its group.</li></ul></li></ul>
---	--



<p>term value. The following are the objectives achieved by corporate governance in relation to the shareholders and beneficiaries of the company:</p> <ul style="list-style-type: none"> <li>a) Protection of shareholders' rights.</li> <li>b) Equal treatment of shareholders.</li> <li>c) Consider the beneficiaries.</li> <li>d) Carrying out the legal duties provided for in the various regulations.</li> <li>e) The existence of a properly functioning board of directors capable of making independent and objective decisions in various matters.</li> <li>f) The balance of the Board of Directors with regard to the representation of a sufficient number of non-executive and independent members of the Board of Directors who pay attention to the interests and conditions of the beneficiaries.</li> <li>g) The Board of Directors adopts transparent procedures and practices and reaches decisions based on the strength of sufficient information.</li> </ul>	<ul style="list-style-type: none"> <li>2. Accepting membership in the Board of a company, an entity that competing with the Company or its group, or managing the affairs of a competing sole proprietorship or any competing company of any form, except the Company's affiliates.</li> <li>3. The Board member's acting as an overt or covert commercial agent for another company or entity competing with the Company or its group.</li> <li>b) No member of the Board or senior management shall, without a prior authorization of the General Assembly, to be renewed annually, participate in any activity which may likely compete with the activities of the Company, or trade in any line of business carried out by the Company. Members of the Board and senior management who own an interest in an insurance-related company shall: <ul style="list-style-type: none"> <li>1. Disclose to the Board their interest in the insurance-related company, in writing, at the earliest opportunity, and never encourage or solicit dealings with the insurance-related company in which they hold an interest.</li> <li>2. refrain from voting in resolutions related to dealings with the insurance-related company in which they hold an interest. Additionally, the Company shall notify the General Assembly, when convened, of all businesses with any insurance-related company in which a member of the Board or senior management has an interest, and shall attach to such notification a</li> </ul> </li> </ul>
--	---



<p>h) The Board of Directors has established effective mechanisms to serve the interests and affairs of the beneficiaries.</p> <p>i) The Board of Directors keeps shareholders and individuals at large informed of relevant developments affecting the Company.</p> <p>j) The Board of Directors monitors the work of the management team members effectively and efficiently.</p> <p>k) The Board of Directors shall carry out all the affairs of the Company at all times.</p> <p>l) Always keep the members of the Board informed of developments in the field of corporate governance and best practices, or delegate this to any other committee or management.</p> <p>4- Factors affecting the quality of corporate governance management</p> <p>The quality of governance management depends mainly on the following factors:</p> <p>a) Management integration.</p>	<p>special report prepared by the Company's external auditors.</p> <p>c) Without prejudice to Article (27) of the Companies Law and other relevant provisions in the Corporate Governance Regulations issued by the Capital Market Authority, if a member of the Board, or a member of one of its committees, desires to engage in a business that may compete with the Company or any of its business lines, the following shall be taken into account:</p> <ol style="list-style-type: none"> <li>1. The Board shall be notified of the competing businesses he/she desires to engage in and recording such notification in the minutes of the Board meeting.</li> <li>2. The conflicted member shall abstain from voting on the related resolution in the Board meeting, the meeting of its committees, and General Assemblies.</li> <li>3. The Board of Directors shall inform the Ordinary General Assembly, once convened, of the competing businesses that the member of the Board, or a member of one of its committees, is engaged in, after the Board assesses the Board member's competition with the Company's business or if he/she is in competition with one of the business lines that it conducts in accordance with the standards issued by the Ordinary General Assembly upon a</li> </ol>
---	---

<p>b) The capacity of the Board of Directors.</p> <p>c) The adequacy of procedures.</p> <p>d) The level of commitment of the members of the Board of Directors.</p> <p>e) The quality of the company's reports.</p> <p>f) Participation of beneficiaries in management.</p> <p>5- Ways to achieve</p> <p>The objectives of corporate management are achieved by establishing and implementing the company's policies in the following topics:</p> <p>a) Organizing the work of the Board of Directors by clearly defining the powers, roles and responsibilities of the Board of Directors.</p> <p>b) Organizing the work of the members of the Board of Directors by setting rules of conduct.</p> <p>c) The company's code of conduct and ethics that all employees, members of the company's management team and the board of directors must abide by.</p>	<p>proposal from the Board and published on the Company's website, provided that such businesses are assessed on annual basis.</p> <p>4. An authorization of the Ordinary General Assembly of the Company, or of the Board through a delegation of the Ordinary General Assembly, shall be obtained for the Board member to engage in the competing business.</p> <p><b>Article 12: Code of Conduct</b></p> <p>a) The Board shall establish a policy for professional conduct and ethical values at the Company, which shall particularly take the following into consideration:</p> <p>1. Ensuring that each member of the Board or the executive management and employees perform his/her duties of loyalty and care to the Company, and undertake the measures that may protect the Company's interests and contribute to its development and increase its value, and shall not, at all times, prioritize his/her own interests over the interests of the Company;</p> <p>2. Board member shall represent all shareholders of the Company and take all actions to achieve the best interests of the Company and its shareholders, while protecting the rights of the other stakeholders rather than only the interests of the group that elected him/her;</p>
---	--

<p>d) Equal treatment of shareholders.</p> <p>e) Restrictions on insider trading.</p> <p>f) Principles of disclosure and reporting.</p> <p>g) Risk management.</p> <p>h) Monitor the compliance of the Audit Committee.</p> <p>1. Purpose</p> <p>Al Rajhi Takaful has established policies on the basis of equal treatment of shareholders in recognition of the importance of protecting their rights and interests in accordance with the company's governance framework.</p> <p>2- General rights of shareholders</p> <p>All rights related to the share shall be granted to shareholders, in particular the right to receive a share of the profits to be distributed, the right to receive a share of the company's assets upon liquidation, the right to attend the shareholders' assemblies, participate in their deliberations and vote on their resolutions, the right to dispose of shares, the right to monitor the work of the Board of Directors and file a liability lawsuit</p>	<p>3. Entrench among the Board members and senior executives the principle of compliance with all relevant laws, regulations and instructions;</p> <p>4. Preventing the Board members or the executive management from abusing their positions with the aim of achieving benefits for himself/herself or a third party;</p> <p>5. Ensuring that the Company's assets and resources are only used to achieve the Company's purposes and objectives, and not to achieve personal interests; and</p> <p>6. Establishing accurate, well-formed, and clear rules regulating the authority to access the Company's internal information and timing to access it, in a way that prevents the Board members, the executive management and others from making personal use or disclosing the same to any person, except within the prescribed limits or as permitted by law.</p> <p>b) The Code of Conduct shall encompass the following aspects:</p> <ol style="list-style-type: none"> <li>1. Conflict of Interest</li> <li>2. Integrity and Honesty</li> <li>3. Compliance with Relevant Laws and Regulations</li> <li>4. Confidentiality of Information</li> <li>5. Fair Treatment</li> <li>6. Protection of Company Assets</li> <li>7. Guiding Principles for Ethical Conduct</li> <li>8. Procedures for Reporting Illegal or Unethical Behavior</li> </ol> <p><b>Article 13: Whistleblowing</b></p>
--	--

<p>against the members of the Board, the right to inquire and request information in a manner that does not harm the interests of the company and does not conflict with the Capital Market Authority Law and its implementing regulations and regulations. Saudi Arabian Monetary Agency.</p> <p>3- Facilitating the exercise of shareholders' rights and access to information</p> <p>a) The Company's Articles of Association and Internal Regulations shall include the necessary procedures and precautions to ensure that all shareholders exercise their statutory rights.</p> <p>b) All information that enables shareholders to exercise their rights to the fullest extent must be provided, so that this information is adequate and accurate, and that it is provided and updated in a regular manner and on time, and the company must use the most effective methods of communication with shareholders,</p>	<p>a) The Board shall, based upon a proposal from the Audit Committee, develop the necessary policies and procedures to be followed by stakeholders when submitting complaints or reporting any violations, taking the following into consideration:</p> <ol style="list-style-type: none"> <li>1. Facilitating the method by which stakeholders (including Company employees) report to the Board conducts and practices of the executive management's that violate applicable laws, regulations and rules or raising doubts as to the financial statements or the internal audit controls or others, whether such conducts or practices are against them or not, and conducting the necessary investigation in that regard;</li> <li>2. Maintaining the confidentiality of reporting procedures through facilitating direct contact with an independent member of the Audit Committee or other specialized committees;</li> <li>3. Appointing an employee to receive and address complaints or reports sent by stakeholders;</li> <li>4. Dedicating a telephone number or an email address for receiving complaints; and</li> <li>5. Providing the necessary protection to the stakeholders.</li> </ol>
--	---

<p>and no discrimination may be made between shareholders with regard to the provision of information.</p> <p>c) Provide an updated copy of the Corporate Governance Code to shareholders on the Company's website.</p> <p>d) Provide a copy of the annual report of the Board of Directors to the shareholders during the General Assembly meeting, including a comprehensive and topical assessment of the company's status and performance, provided that it includes at a minimum:</p> <ol style="list-style-type: none"> <li>1- An analytical review of the company's financial performance during the last period.</li> <li>2- The most important decisions taken and their impact on the performance and status of the company.</li> <li>3- Evaluating the company's strategy and its financial position.</li> <li>4. Names of joint stock companies in which a member of the company's board of directors is a member.</li> </ol>	<p>b) The Committee shall review the establishment of a mechanism that allows employees of the Company to submit their feedback anonymously regarding any abuse in financial or other reports. The Committee shall verify the implementation of this mechanism by conducting an independent investigation commensurate with the magnitude of the error or transgression and adopting appropriate follow-up procedures.</p> <p><b>Article 14: Duty of Care and Loyalty</b></p> <p>Each Board member shall comply with the principles of truthfulness, honesty, loyalty, and care of the interests of the Company and its shareholders, and priorities their interests over his/her personal interests. This, in particular, shall include the following:</p> <ol style="list-style-type: none"> <li>1. Duty to act within conferred powers: A Board member shall perform his/her duties and exercise powers in managing the Company and guiding its activities within his/her conferred powers in accordance with the Companies Law and its Implementing Regulations and the Company's Articles of Association and other relevant laws, and only exercise powers for the purposes for which they are conferred.</li> <li>2. Duty to act for the best interests of the Company and its success: A Board member shall comply with the following:</li> </ol>
---	--

<p>5 - Any penalty or any precautionary restriction or penalty imposed on the company by any judicial, supervisory or regulatory authority.</p> <p>6 - Any penalty or any reserve restriction or penalty imposed on any of the members of the Board of Directors by any judicial, supervisory or regulatory authority.</p> <p>7- Assessment of the risks surrounding the company and the way to deal with them.</p> <p>8- Expectations of future performance.</p> <p>e) The Board of Directors shall work on the rights of shareholders in a manner that ensures justice and equality among them.</p> <p>f) The Board of Directors and the Executive Management of the Company shall not discriminate between the shareholders who own the same class of shares, and not to withhold any right from them.</p> <p>g) The Board of Directors shall ensure communication between the Company and the shareholders</p>	<p>a) Working in good faith for the best interest of the Company and all its shareholders and shall not prioritize his/her personal interests over the interest of the Company and its shareholders, and in doing so have regard to the rights of the other stakeholders.</p> <p>b) Making every effort to promote the success of the Company and maximize its value on the long term for the benefit of its shareholders.</p> <p>3. Duty to exercise independent judgment: A Board member shall perform his/her duties objectively and independently in relation to managing the Company and taking decisions related thereto and shall avoid cases that affect his/her independence in taking decisions or voting on them.</p> <p>4. Duty to exercise reasonable and expected care, skill and diligence: A Board member shall perform his/her duties and responsibilities in accordance with the Companies Law, the Capital Market Law and their implementing regulations and the Company's Articles of Association and other relevant laws, and in accordance with the diligence and skill that would be exercised by a diligent person with the general knowledge, skill and experience that the Board member has and that may be expected of a person carrying out the same functions carried out by that Board member.</p> <p>5. Duty to avoid conflict of interest: A Board member shall avoid transactions and</p>
--	--

<p>based on a common understanding of the Company's strategic objectives and interests.</p> <p>h) The Chairman and the Chief Executive Officer shall inform the rest of the members of the Board of the opinions of the shareholders and discuss them with them.</p> <p>4. Shareholders' Assembly and Agenda</p> <p>The general assembly of shareholders shall be concerned with all matters related to the company, and the general assembly convened in accordance with the statutory procedures shall represent all shareholders in the exercise of their competencies related to the company, and shall perform its role in accordance with the provisions of the Companies Law, the Executive Regulations and the Company's Articles of Association.</p> <p>a) The General Assembly shall be held at least once a year during the six months following the end of the Company's fiscal year.</p> <p>The General Assembly shall convene at the invitation of the</p>	<p>situations in which he/she has actual or potential direct or indirect interest that conflicts or may conflicts with the Company's interest, and the Board member shall comply with the provisions relating to conflicts of interest contained in the Companies Law and its Implementing Regulations.</p> <p>6. Duty to disclose direct or indirect interest in business transactions or contracts executed for the Company's account: A Board member shall disclose any direct or indirect interest he/she has in the business transactions and contracts executed for the Company immediately upon becoming aware thereof, and the Board member shall comply with the provisions relating to disclosure of interest in business transactions and contracts contained in the Companies Law and its Implementing Regulations.</p> <p>7. Duty not to not to accept benefits from third parties in relation to the Company: A Board member shall not exploit his/her position, duties and powers vested in him/her as a Board member in any way to obtain or accept benefits from third parties for a specific act or refrain from doing specific act.</p> <p><b>Article 15:</b> Implementation of Effective Governance</p>
--	---

<p>Board of Directors, and the Board of Directors shall convene the General Assembly to meet if requested by the chartered accountant or a number of shareholders whose ownership represents at least (5%) of the capital.</p> <p>c) The date, place and agenda of the General Assembly shall be announced at least 21 days before the date, and the invitation shall be published on the market's website and the company's website and in a daily newspaper distributed in the area where the company's head office is located, and the company may direct the invitation to convene general and special assemblies to its shareholders through modern technology.</p> <p>d) The Company may amend the agenda of the General Assembly during the period between the publication of the announcement referred to in paragraph (c) of this Article and the date of the General Assembly, provided that the Company announces this in accordance with the conditions</p>	<p>The Board shall establish governance rules for the Company in accordance with the provisions of the relevant laws and regulations, and shall monitor their implementation, verify their effectiveness, and amend them as necessary. To that end, the Board shall:</p> <ol style="list-style-type: none"><li>1. Verify that the Company is in compliance with these rules;</li><li>2. Review and update the rules pursuant to statutory requirements and best practices;</li><li>3. Review and develop codes of professional conduct representing the Company's values and other internal policies and procedures in order to fulfill the Company's requirements and in accordance with best practices; and</li><li>4. Regularly inform the Board members of the developments in corporate governance and best practices, or authorize the Audit Committee or any other committee or department to undertake this task.</li></ol> <p><b>Article 16: General Rights of Shareholders</b> Shareholders shall have all rights related to their shareholding, in particular the right to receive their share of dividends allocated for distribution and of assets on liquidation, attend general and</p>
---	--



<p>prescribed in paragraph (c) of this Article.</p> <p>Shareholders shall have the opportunity to participate effectively and vote in the meetings of the General Assembly of Shareholders and shall be informed of the rules governing such meetings and the voting procedures.</p> <p>F) Shareholders shall be available through the Company's website and the Market's website when the invitation to convene the General Assembly is published , to obtain information related to the agenda items of the General Assembly, in particular the report of the Board of Directors, the auditor, the financial statements and the report of the Audit Committee, in order to enable them to take an informed decision thereon. The Company shall update such information in the event of amending the agenda of the General Assembly.</p> <p>The Commission may add such topics as it deems appropriate to the agenda of the General Assembly.</p> <p>h) Work must be done to facilitate the participation of the largest</p>	<p>special assembly meetings, take part in deliberations, vote on general assembly resolutions, dispose of shares, monitor the activities of the Board, hold Directors accountable and file liability lawsuits against them, and request information, in a way that is not detrimental to the interests of the Company and does not contravene any provisions of the Capital Market Law, its Implementing Regulations, the Companies Law, and the Insurance Authority's Regulations.</p> <p><b>Article 17: Fair Treatment of Shareholders</b></p> <p>a) The Board shall seek Shareholders' rights protection to ensure fairness and equality among them.</p> <p>b) The Board and the executive management of the Company shall not discriminate among shareholders who own the same class of shares nor prevent them from accessing any of their rights.</p> <p>c) The Company shall specify in its internal policies the procedures that are necessary to guarantee that all shareholders exercise their rights.</p> <p>d) The Company shall provide shareholders with comprehensive, sufficient, and accurate information in a timely manner to</p>
---	---

<p>number of shareholders in the General Assembly meeting, including the selection of the appropriate place and time.</p> <p>i) When preparing the agenda of the General Assembly meeting, the Board of Directors shall take into account the topics that the shareholders wish to include on the agenda of the meeting.</p> <p>Shareholders who own at least (5%) of the company's shares may add one or more topics to the agenda of the General Assembly when it is prepared.</p> <p>Shareholders shall have the right to discuss the topics included in the agenda of the General Assembly and address questions thereon to the members of the Board of Directors and the Chartered Accountant, and the Board of Directors or the Chartered Accountant shall answer the questions of the shareholders to the extent that does not expose the interest of the company to harm.</p> <p>l) The topics submitted to the General Assembly must be accompanied by sufficient</p>	<p>enable the efficient exercise of their rights and shall accord all shareholders fair treatment.</p> <p><b>Article 18: Share-Related Rights</b></p> <p>All rights related to shares shall be guaranteed to the shareholder, and particularly the following:</p> <p>a) To obtain his/her portion of the net profits which are to be distributed in cash or through the issuance of shares.</p> <p>b) To obtain his/her share of the Company's assets upon liquidation.</p> <p>c) To attend the General or Special Shareholders Assemblies, take part in deliberations and vote on their resolutions.</p> <p>d) To dispose of his/her shares in accordance with the provisions of the Companies Law, the Capital Market Law and their implementing regulations.</p> <p>e) To enquire and request viewing the books and documents of the Company, including the data and information related to the activities of the Company and its operational and investment strategy, in a way that is not detrimental to the interests of the Company and does not contravene any provisions of the Companies Law, the Capital Market Law and their implementing regulations.</p> <p>f) To monitor the performance of the Company and the activities of the Board.</p>
--	---

<p>information to enable shareholders to take their decisions.</p> <p>Shareholders shall be able to view the minutes of the general assembly meeting, and the company shall provide the Authority with a copy of the minutes of the meeting within ten days from the date of its convening.</p> <p>n) The website of the Exchange must be informed of the results of the General Assembly immediately upon its termination and announcement.</p> <p>5. Voting Rights</p> <p>a) Voting is a fundamental right of the shareholder that cannot be revoked in any way, and the company shall avoid any action that may impede the use of the voting right, and the exercise of the shareholder's right to vote shall be facilitated and facilitated.</p> <p>b) The shareholder may delegate in writing another shareholder who is not a member of the Board of Directors and who is not an employee of the Company to attend the General Assembly meeting.</p>	<p>g) To hold the Board members accountable, to file liability claims against them and appeal for nullification of the resolutions of the General and Special Shareholders Assemblies in accordance with the conditions and restrictions set forth in the Companies Law and the Company's Articles of Association.</p> <p>h) Preemptive rights to subscribe for new shares issued in exchange for cash - unless such preemptive rights are suspended by the Extraordinary General Assembly - if this is provided for in the Company's Articles of Association - in accordance with Article 129 of the Companies Law.</p> <p>i) To record his/her shares in the Company's Shareholders register.</p> <p>j) To request to view a copy of the Company's Articles of Association and Memorandum of Association unless the Company publishes them on its website.</p> <p>k) To nominate and elect the Board members.</p> <p><b>Article 19: Access to Information by Shareholders</b></p> <p>a) The Board shall make available to the shareholder complete, clear, accurate and non-misleading information to enable him/her to properly exercise his/her rights. Such</p>
--	--

<p>c) Investors of legal status acting on behalf of others, such as investment funds , must disclose their voting policies and actual voting in their annual reports, as well as how to deal with any material conflict of interest that may affect the exercise of fundamental rights in their investments.</p> <p>d) The cumulative voting shall be followed regarding the nomination of the members of the Board of Directors.</p> <p>6. Shareholders' rights linked to shares</p> <p>A clear policy has been developed regarding the distribution of dividends in the interests of the shareholders and the company, and this policy was also informed to the shareholders at the General Assembly meeting and referred to in the report of the Board of Directors.</p> <p>B- The General Assembly shall approve the dividends proposed to be distributed, if any, and the date of distribution, and the eligibility for profits, whether cash dividends</p>	<p>information shall be timely provided and regularly updated.</p> <p>b) The method used to provide information to the shareholders shall be clear and detailed and shall include a list of the Company's information that the shareholders may obtain. This information shall be made available to all shareholders of the same type or class.</p> <p>c) The Company shall use the most effective methods in communicating with shareholders.</p> <p><b>Article 20: Communication with Shareholders</b></p> <p>a) The Board shall ensure communication between the Company and the shareholders based on the common understanding of the strategic objectives and interests of the Company.</p> <p>b) The Chairman of the Board and the Chief Executive Officer shall inform the remaining Board members of the opinions of the shareholders and discuss these opinions with them.</p> <p>c) No shareholder may intervene in the operations of the Board or the work of the executive management of the Company unless he/she is a member of its Board or works in its executive management; or unless his/her intervention is through the General Assembly according to its powers.</p>
--	---

<p>or bonus shares, shall be for the shareholders registered in the records of the Asset and Depository Services Center at the end of trading on the day of the General Assembly.</p> <p>c) The company's articles of association shall specify the percentage of net profits to be distributed to shareholders after setting aside the statutory reserve and other reserves.</p> <p>7. Terms of reference of the Extraordinary General Assembly</p> <p>The Extraordinary General Assembly shall have the following competencies:</p> <p>a) Amending the Company's Articles of Association with the exception of amendments deemed null and void under the provisions of the Companies Law.</p> <p>b) Increase the company's capital in accordance with the conditions prescribed in the Companies Law and the Implementing Regulations.</p> <p>Reducing the company's capital in the event that it exceeds the company's needs or if it suffers financial losses, in accordance with</p>	<p>d) The Company shall enable shareholders to access the minutes of the General Assembly.</p> <p>e) The Company shall encourage minority and individual shareholders to actively exercise their rights as shareholders.</p> <p>f) The Company shall provide shareholders with a regular opportunity to convey their views and inquiries to the Board of Directors and senior management.</p> <p><b>Article 21: Shareholders' Right to Dividend Distribution</b></p> <p>a) The General Assembly shall determine the percentage of the net profits to be distributed to the shareholders and deduct the reserves if any.</p> <p>b) The Board shall establish a clear policy for the distribution of dividends to achieve the interests of the shareholders and the Company as per the Company's Articles of Association.</p> <p>c) The shareholder shall have the right to receive his/her share of dividends as per the decision of the General Assembly in respect of the distribution of dividends to shareholders or the Board resolution on distributing interim dividends. The resolution shall specify the record date and the distribution date provided that the resolution shall be executed as per the</p>
---	--

<p>the conditions prescribed in the Companies Law and the implementing regulations.</p> <p>d) Report on the formation of an agreement reserve for the company stipulated in its articles of association and allocated for a specific purpose, and dispose of it.</p> <p>e) Deciding on the continuation or dissolution of the company before the period specified in its articles of association.</p> <p>Approval of the purchase of the company's shares.</p> <p>Issue or approve the purchase of preferred shares, convert ordinary shares into preferred shares, or convert preferred shares to ordinary shares, based on a provision in the company's articles of association and in accordance with the regulatory rules and procedures issued in implementation of the Companies Law for listed joint stock companies.</p> <p>Issue debt instruments or financing instruments convertible into shares, and indicate the maximum number of shares that may be issued against such instruments or sukuk.</p>	<p>Implementing Regulation of the Companies Law for Listed Joint Stock Companies.</p> <p><b>Article 22:</b> Rights Relating to General Assembly Meetings</p> <p>General Shareholders' Assemblies of the Company shall be competent in all of its affairs. A duly-constituted General Assembly shall represent all shareholders in exercising their powers in respect of the Company. The General Assembly shall exercise its role in accordance with the provisions of the Companies Law and its Implementing Regulations and the Company's Articles of Association.</p> <p><b>Article 23:</b> Shareholders' General Assembly</p> <p>a) The Ordinary Shareholders' General Assembly shall convene in accordance with the situations and circumstances stated in the Companies Law and its Implementing Regulations and the Company's Articles of Association.</p> <p>b) The annual Ordinary General Assembly shall convene at least once within the six months following the end of the Company's fiscal year.</p> <p>c) The General and Special Assemblies shall convene upon an invitation from the Board in accordance with the terms and conditions stated in the Companies Law and its Implementing Regulations and the Company's Articles of Association. The Board shall invite the Ordinary General Assembly to convene within 30 days from the date of the external</p>
--	--

<p>i) Allocation of issued shares upon capital increase or part thereof to the employees of the company and its subsidiaries or some of them, or any of them.</p> <p>Suspend the right of priority to shareholders in subscribing to a capital increase in exchange for cash shares or give priority to non-shareholders in cases it deems appropriate for the benefit of the company, if stipulated in the company's articles of association.</p> <p>The extraordinary general assembly may issue resolutions within the competence of the ordinary general assembly, provided that such resolutions shall be issued in accordance with the conditions for issuing the resolutions of the ordinary general assembly specified by the absolute majority of the shares represented at the meeting.</p> <p>8. Terms of reference of the Ordinary General Assembly</p> <p>Except for the competence of the Extraordinary General Assembly, the Ordinary General Assembly shall have jurisdiction over all the</p>	<p>auditor request, the Audit Committee or a number of shareholders holding shares equal to at least (10%) of the Company's shares that have voting rights. The external auditor may invite the assembly Public to convene if the Board does not invite the assembly within 30 days from the date of the external auditor's request.</p> <p>d) With regards of the provisions of the Companies Law and its Implementing Regulations, the date, place and agenda of the General Assembly shall be announced at least 21 days prior to the date thereof; and the invitation shall be published on the website of the Exchange and the Company's website. In addition, the Company may invite the General and Special Shareholders' Assemblies to convene using contemporary technologies means.</p> <p>e) The Company may amend the agenda of the General Assembly within a period between publishing the announcement referred to in paragraph (d) of this Article and the date of convening the General Assembly meeting, provided that the Company shall announce this as prescribed in paragraph (d) of this Article.</p> <p>f) Shareholders shall be granted the opportunity to effectively participate and vote in the General Assembly meetings. The meetings of the General Assemblies of shareholders may be convened and shareholders may</p>
--	---



<p>affairs of the Company, in particular the following:</p> <p>a) Appointment and dismissal of members of the Board of Directors.</p> <p>b) Licensing that a member of the Board of Directors has a direct or indirect interest in the business and contracts concluded for the company's account, in accordance with the provisions of the Companies Law and the Implementing Regulations.</p> <p>Licensing the participation of a member of the Board of Directors in any business that would compete with the company, or compete with the company in one of the branches of the activity it carries out, in accordance with the provisions of the Companies Law and the Implementing Regulations.</p> <p>Monitor the compliance of the members of the Board of Directors with the provisions of the Companies Law, the Executive Regulations and other relevant regulations and the Company's Articles of Association, examine any damage arising from their violation of these provisions or</p>	<p>participate in their deliberations and vote on their resolutions using methods of contemporary technologies pursuant to the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.</p> <p>g) The Board shall work on facilitating the participation of the largest number of shareholders in the meetings of the General Assembly, including choosing the appropriate place and time of such meeting.</p> <p>h) The Company shall ensure recording the details of the shareholders who desire to attend at the Company's head office prior to the specified time for convening the Assembly, unless the Company's Articles of Association state other means.</p> <p><b>Article 24:</b> Powers of the Extraordinary General Assembly</p> <p>The Extraordinary General Assembly shall have the following powers:</p> <p>1) Amending the Company's Articles of Association, except for amendments which are deemed null and void pursuant to the provisions of the Companies Law.</p> <p>2) Increasing the Company's share capital in accordance with the situations provided by the Companies Law and its Implementing Regulations.</p> <p>3) Decreasing the Company's share capital if it exceeds the Company's needs or in the event the Company incurs financial losses,</p>
---	--



<p>mismanage the company's affairs, determine the resulting liability, and take what it deems appropriate in this regard in accordance with the Companies Law and the Executive Regulations.</p> <p>e) Formation of the Audit Committee in accordance with the provisions of the Companies Law and the Implementing Regulations.</p> <p>Approval of the company's financial statements.</p> <p>g) Approval of the report of the Board of Directors.</p> <p>Decide on the proposals of the Board of Directors regarding the method of distribution of net profits.</p> <p>i) Appointing the Company's auditors, determining their remuneration, re-appointing them, changing them, and approving their reports.</p> <p>j) Consider the irregularities and errors committed by the company's auditors in the performance of their duties.</p> <p>(k) Stop setting aside the company's statutory reserve whenever it</p>	<p>in accordance with the situations provided by the Companies Law and its Implementing Regulations.</p> <p>4) Deciding the use of the reserve allocated for specific purposes in the Company's Articles of Association.</p> <p>5) Resolving to maintain or liquidate the Company before the end of the term specified in its Articles of Association.</p> <p>6) Approving the Company's shares buy-back.</p> <p>7) Issuing preferred shares or redeemable shares or approving their buying, or converting a type or class of the Company's shares into another type or class of shares as per the Company's Articles of Association and the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.</p> <p>8) Issuing debt instruments or financing deeds convertible into shares, and stating the maximum number of shares that may be issued against these instruments or deeds.</p> <p>9) Allocating shares that are issued upon the capital increase or part of them for the employees of the Company, its affiliates and/or some of them.</p> <p>10) Suspending preemptive rights of shareholders in subscribing for the capital increase in exchange for cash or giving priority</p>
---	--

<p>reaches (33%) of the company's paid-up capital, and decide to distribute more than this percentage to the company's shareholders in the fiscal years in which the company does not achieve net profits.</p> <p>l) The use of the company's contractual reserve in the event that it is not allocated for a specific purpose, provided that the use of this reserve is based on a proposal from the Board of Directors and in aspects that benefit the company or shareholders.</p> <p>m) Formation and disposal of other reserves of the company, other than statutory reserves and contractual reserves.</p> <p>Deduction of amounts from the net profits of the company for the establishment of social enterprises for the company's employees or to assist any existing such institutions, in accordance with Article Twenty-Nine after one hundred of the Companies Law.</p> <p>Approve the sale of more than (50%) of the company's assets, whether in one or several</p>	<p>to non-shareholders in cases as deemed in the interest of the Company if so is provided for in the Company's Articles of Association.</p> <p>11) The Extraordinary General Assembly may issue resolutions that fall within the powers of the Ordinary General Assembly, provided that such resolutions are issued in accordance with the issuance requirements of Ordinary General Assembly resolutions which is the majority of voting rights represented at the meeting.</p> <p>12) Approving the Company's acquisition of its own shares for the purpose of their allocation to Company employees within an employee stock ownership program or for any other purpose, subject to the controls set forth in the Implementing Regulation of the Companies Law for Listed Joint Stock Companies and the Company's Articles of Association.</p> <p><b>Article 25: Powers of the Ordinary General Assembly</b></p> <p>Except for the powers reserved to the Extraordinary General Assembly, the Ordinary General Assembly shall have competencies in all affairs of the Company, and particularly the following:</p> <p>1) Electing and removing Board members.</p> <p>2) permitting a Board member to have direct or indirect interest in the business</p>
--	---

<p>transactions within twelve months from the date of the first sale, and in the event that the sale of such assets includes what falls within the competence of the extraordinary general assembly, the approval of the extraordinary general assembly must be obtained.</p> <p>9- Management of the Shareholders Assembly:</p> <p>The meetings of the general assemblies of shareholders shall be chaired by the Chairman of the Board of Directors or his deputy in his absence, or whoever is delegated by the Board of Directors from among its members in the absence of the Chairman and Vice-Chairman of the Board of Directors.</p> <p>The Chairman of the Shareholders' Assembly shall provide the shareholders with the opportunity to participate effectively and vote in the meetings of the General Assembly, and to avoid any procedure that hinders the attendance of the assemblies or the use of the right to vote. They should be informed of the rules governing</p>	<p>transactions and contracts that are executed for the Company's account, in compliance with the provisions of the Companies Law and its Implementing Regulations.</p> <p>3) Permitting a Board member to take part in any activities that may lead to competition with the Company, or competition in any of its activities, in compliance with the provisions of the Companies Law and its Implementing Regulations.</p> <p>4) Monitoring the compliance of the Directors with the provisions of the Companies Law and Its Implementing Regulations and other relevant laws and the Company's Memorandum of Association; inspecting any damage that may occur as a result of their violation of such provisions or mismanagement of the affairs of the Company; determining the liability resulting therefrom and undertaking the procedures it deems proper in this regard pursuant to the Companies Law and its Implementing Regulations.</p> <p>5) Reviewing and discussing the Company's financial statements.</p> <p>6) Reviewing and discussing the Board report.</p>
--	--

<p>the work of such meetings and the voting procedures.</p> <p>C) Shareholders have the right to discuss the topics on the agenda of the General Assembly and to address questions thereon to the members of the Board of Directors and the auditor .These questions must be answered to the extent that the interest of the company is not prejudiced.</p> <p>d) Shareholders shall be able to view the minutes of the general assembly meeting, and the company shall provide the Authority with a copy thereof within ten days from the date of the meeting.</p> <p>The company shall announce to the public and notify the Authority and the Market in accordance with the controls determined by the Authority of the results of the General Assembly upon its completion.</p> <p>1- Composition of the Board of Directors:</p> <p>The following must be adhered to with regard to the composition of the Board of Directors:</p>	<p>7) Deciding on the proposals of the Board with respect to the method of distributing the net dividends.</p> <p>8) Appointing one or more external auditor of the Company, specifying his fees, reappointing him, dismissing him, discussing his report and making a decision in its regard.</p> <p>9) looking into the violations and errors committed by the Auditors of the Company when performing their duties and any difficulties, reported by the Company's external auditors, regarding their empowerment by the Company's Board or Management to review the books, records and other documents, statements and clarifications required to perform their duties, and respond to that as it deems appropriate in this regard.</p> <p>10) Deciding the use of the Company's reserves, if such has not been set aside for a specific purpose in the Company's Articles of Association, provided that using such reserves shall be based on a proposal of the Board and used in ways that benefit the Company or the shareholders.</p> <p>11) Forming the Company's reserves and determining their uses.</p> <p>12) Setting aside amounts from the Company's net profits to achieve social purposes for the benefit of the Company's</p>
--	---

<p>A) The Company's Articles of Association specify the number of members of the Board of Directors at eight members, and in the event that members less than this number are nominated upon re-election of the members of the Board, the nominated members are accepted only, provided that their number is not less than three, and the elected Board appoints the remaining number to complete the number of members of the Board of Directors and this appointment is presented to the General Assembly for approval.</p> <p>The members of the Board of Directors shall be elected by the General Assembly for a period of three years in each session, and the members of the Board of Directors may be re-elected.</p> <p>The majority of the members of the Board of Directors shall be non-executive members.</p> <p>d) The number of independent members of the Board of Directors shall not be less than two members or one third of the total number of members of the Board of Directors, whichever is greater.</p>	<p>employees in accordance with Article (123) of the Companies Law.</p> <p>13) Approving the sale of more than (50%) of the assets of the Company, whether in one or several transactions within a period of 12 months from the date of the first selling transaction. In case selling these assets includes what falls within the competencies of the Extraordinary General Assembly, the approval of the said Assembly is required.</p> <p>14) Delegating the Company's Board by the General Assembly to approve business transactions and contracts executed for the Company in which any Board member has a direct or indirect interest, in accordance with the provisions of the Companies Law and its Implementing Regulations.</p> <p><b>Article 26: Agenda of the General Assembly</b></p> <p>1. The Board of Directors shall, on preparing the agenda of the General Assembly, take into consideration the topics which the shareholders wish to include. The shareholders holding a percentage of 10% of the Company's share capital with voting rights to add one or more topics at least to the agenda of the General Assembly when preparing the same.</p> <p>2. The Board of Directors shall include each topic listed on the agenda of the General</p>
--	---

<p>It is prohibited to combine the position of Chairman of the Board of Directors with any executive position in the Company, such as the position of Managing Director, CEO or General Manager.</p> <p>Upon the termination of the membership of a member of the Board of Directors by any of the methods of termination of membership, the company shall notify the regulatory authorities immediately with a statement of the reasons for this.</p> <p>The member shall not be a member of the Board of Directors of more than five listed joint stock companies at the same time.</p> <p>A legal person who is entitled according to the Company's Articles of Incorporation to appoint representatives to the Board of Directors may vote on the selection of other members of the Board of Directors.</p> <p>i) The company shall notify the Authority of the names of the members of the Board of Directors and their membership within five working days from the date of</p>	<p>Assembly in a separate item, not combine the substantially different topics under one item, and not put the businesses and contracts in which any Board member shall have direct or indirect interest under one item for the purpose of obtaining the voting of the shareholders on the item as a whole.</p> <p>3. The shareholders shall be provided, through websites of the company and the market, at the time of publishing the invitation to convene the general assembly, with access to information related to the items on the agenda of the general assembly, particularly the Board of Directors' report, the auditor's report, the financial statements, and the audit committee's report, in order to enable them to make informed decisions thereon. The company shall update such information in the event of any amendment to the general assembly agenda.</p> <p>4. The Capital Market Authority may add any topics it deems appropriate to the agenda of the general assembly.</p> <p><b>Article 27: Management of Shareholders' Assembly</b></p> <p>1. The general assembly meetings of shareholders shall be chaired by the chairman of the Board of Directors, or in his absence, by his deputy, or by a person delegated by the Board from among its members. In the absence</p>
---	---

<p>commencement of the Board of Directors' session or from the date of their appointment – whichever is earlier – and any changes to their membership within five working days from the date of the changes.</p> <p>2- Board Membership Requirements</p> <p>a) Obtaining no objection from the Saudi Arabian Monetary Agency.</p> <p>b) Adopting the cumulative voting method when voting in the General Assembly on the appointment of the members of the Board of Directors.</p> <p>c) A member of the Board of Directors must be of professional competence who possess the necessary experience, knowledge, skill and independence to enable him to exercise his duties efficiently and competently, taking into account that he possesses, in particular, the ability to lead, efficiency, the ability to direct, financial knowledge, and health fitness.</p> <p>d) All members should have a diversity of qualifications, knowledge, experience and skills in</p>	<p>of the chairman and his deputy, and if delegation is not possible, the general assembly shall be chaired by a person elected by the shareholders, whether from among the Board members or others, by way of voting.</p> <p>2. The chairman of the shareholders' assembly shall ensure that shareholders are given the opportunity to actively participate and vote in general assembly meetings, and shall avoid any procedure that may hinder attendance or the exercise of voting rights. Shareholders shall also be informed of the rules governing the conduct of such meetings and the voting procedures.</p> <p>3. Shareholders shall have the right to discuss the topics listed on the agenda of the general assembly and to address questions regarding them to the members of the Board of Directors and the auditor. Such questions shall be answered to the extent that doing so does not compromise the interests of the company.</p> <p>4. Shareholders shall be granted access to the minutes of the general assembly meeting, and the company shall be required to provide the Authority with a copy thereof within ten days from the date of the meeting.</p> <p>5. The company shall announce the results of the general assembly to the public and notify the Authority and the market, according to the</p>
--	--



<p>various disciplines and fields related to the activity and field of the company, in addition to each member having an appropriate level of qualifications, knowledge, experience, skills and integrity in order to be able to perform his role and tasks effectively and efficiently.</p> <p>The member must not be a member of the board of directors of another local insurance and/or reinsurance company, nor any of the committees of such boards, nor any of the leadership positions in such companies.</p> <p>Each member of the Board of Directors shall abide by the principles of honesty, honesty, loyalty, care and concern for the interests of the Company and the shareholders and put them before his personal interest.</p> <p>3. Nomination for the Board of Directors</p> <p>a) The nomination process must take into account the following:</p> <p>1. Provide sufficient time to receive applications for nomination for membership of the Board of Directors.</p>	<p>regulations set by the Authority, immediately upon the conclusion of the meeting.</p> <p><b>Article 28:</b> Composition of the Board of Directors</p> <p>A) The company's Board of Directors shall consist of eight members, who shall be natural persons elected by the ordinary general assembly for a term not exceeding four years. The majority of the Board members shall be non-executive directors. In all cases, the number of independent Board members shall not be less than two, or one-third of the Board members, whichever is greater. The Board size shall be maintained on a continuous basis with no more than eleven and no fewer than five members.</p> <p>B) The company shall announce on the market's website the information related to nominees for membership of the Board of directors at the time of publishing or sending the invitation to convene the general assembly. Such information shall include a description of the nominees' experience, qualifications, skills, current and previous positions, and memberships. The company shall also make a copy of such information available at its headquarters and on its website.</p>
--	--



<p>2. The Nomination and Remuneration Committee shall review the nomination applications and record its observations and recommendations.</p> <p>3. Provide shareholders with sufficient information on the candidates' qualifications and their relationship with the company before starting voting.</p> <p>4. Apply the cumulative voting method when voting in the General Assembly to appoint the members of the Board of Directors.</p> <p>c) Obtaining SAMA's written no-objection before appointing any of the members of the Board of Directors.</p> <p>d) The company shall notify SAMA of the rejection of any application for nomination for membership of the Board of Directors and explain the reasons for rejection.</p> <p>(e) The number of candidates for membership of the Board of Directors submitted to the General Assembly for voting shall be greater than the number of seats available in order to allow the</p>	<p>C) The general assembly shall elect the members of the Board of Directors for the term stipulated in the company's Articles of Association, provided that it shall not exceed four years. Members may be re-elected unless otherwise provided in the company's Articles of Association.</p> <p>D) The Board of Directors shall be diverse in terms of qualifications, knowledge, experience, and skills across the various fields of the company's business. Each member shall possess an appropriate level of qualification, knowledge, experience, skills, and integrity to effectively perform their role and responsibilities.</p> <p>E) A member of the company's Board of Directors may neither serve as a board member or on any of the committees emanating from the Board of another local insurance and/or reinsurance company, nor may they hold any leadership position in such companies.</p> <p>F) A Board member shall not hold membership on the boards of more than five listed joint-stock companies at the same time.</p> <p>G) The company shall notify the Capital Market Authority of the names of the Board members and the nature of their membership within five business days from the date of the</p>
--	---

<p>General Assembly to choose from among the candidates.</p> <p>The Board of Directors may seek the assistance of a specialized and independent external party to nominate additional candidates for membership of the Board of Directors in the event that the number of applicants is insufficient.</p> <p>4- Election of the members of the Board of Directors:</p> <p>a) The company shall announce on the market's website information about candidates for membership of the Board of Directors when publishing or calling for the general assembly, provided that such information includes a description of the candidates' experiences, qualifications, skills, jobs and previous and current memberships, and the company shall provide a copy of this information at its head office and website.</p> <p>b) Cumulative voting shall be used in the election of the Board of Directors, where the right to vote per share may not be used more than once.</p>	<p>commencement of the Board's term or from the date of their appointment, whichever is earlier, and of any changes to their membership within five business days from the date such changes occur.</p> <p>H) The procedures for nominating members to the Board of Directors shall take into account the following:</p> <ol style="list-style-type: none"><li>1. Providing sufficient time for the submission of nomination applications for membership of the Board of Directors.</li><li>2. The Nomination and Remuneration Committee shall review the applications for board membership and document all relevant observations and recommendations.</li><li>3. Obtaining the written no-objection from the Insurance Authority prior to the election of any board member.</li><li>4. Providing shareholders with sufficient information about the nominees, their qualifications, and their relationships with the company before voting on their election.</li><li>5. Adopting the cumulative voting method during the general assembly voting on the appointment of Board members. The general assembly voting shall be limited to the nominees for Board membership whose information has been announced by the</li></ol>
---	--

<p>c) Voting in the General Assembly shall be limited to the candidates for membership of the Board of Directors announced by the Company.</p> <p>5- Chairman and Vice-Chairman of the Board of Directors:</p> <p>A) Subject to the provisions of the Company's Articles of Association, the Board of Directors shall appoint from among its members a Chairman and a Vice-Chairman and may appoint a Managing Director (after obtaining no objection from the Saudi Arabian Monetary Agency).</p> <p>The Board of Directors shall elect the Chairman and Vice-Chairman of the Board of Directors and their term of office shall be three years, unless the Company's Articles of Association provide otherwise. The Deputy Chairman of the Board of Directors shall have the same powers as the Chairman of the Board of Directors in his absence.</p> <p>The Board of Directors shall authorize the Chairman of the Board to organize the work of the</p>	<p>Company in accordance with Paragraph (B) of this article.</p> <p>l) The company shall inform the Insurance Authority when any nomination applications for Board membership are rejected, along with giving the reasons for rejection.</p> <p>j) The number of the Board of Directors nominees presented to the General Assembly shall exceed the number of the available seats, so that the General Assembly shall have the opportunity to select from the nominees. When there are not enough nominees, the Board of Directors may seek the services of an independent specialized third party to select additional nominees for the Board membership.</p> <p>k) If a Board member position becomes vacant due to the death or retirement of any such member, and as a result there is no breach of the terms required for the validity of the Board's meeting due to the number of its members being less than the minimum stipulated in the Companies Law or the Company's Articles of Association, the Board shall have the right to temporarily appoint a qualified and competent member in this position after receiving a non-objection letter from the Insurance Authority, provided that the Board shall notify the Ministry of Commerce and the Capital Market Authority</p>
---	---

<p>Board and grant him the necessary powers to perform his duties.</p> <p>d) The Chief Executive Officer may not be appointed Chairman of the Board of Directors of the Company during the first year of the termination of his services.</p> <p>6- Responsibilities and duties of the Chairman of the Board of Directors:</p> <p>Without prejudice to the powers of the Board of Directors, the Chairman of the Board of Directors shall lead the Board and supervise the functioning of its work and the effective performance of its functions, and the functions and competencies of the Chairman of the Board of Directors shall include in particular the following:</p> <p>a) Organizing the work of the Board, including setting the agendas of meetings in consultation with the Chief Executive Officer and members of the Board, chairing the meetings of the Board, and supervising the provision of the Board with the information and reports it needs.</p>	<p>within fifteen days from date of appointing, and presents this appointment before the Annual General Assembly at its first session. Therefore, the appointed member shall complete the term of his predecessor.</p> <p>l) Once the members join the Board, they shall be subject to an orientation program. Each member shall be provided with a letter of appointment defining his/her duties and responsibilities, in addition to comprehensive information regarding the Company's business, strategic plans, and the relevant laws and regulations.</p> <p><b>Article 29: Impediments to Independence</b></p> <p>a) The independent member of the Board shall be able to perform his/her duties, express his/her opinion and vote on the decisions objectively and impartially. The same shall enable the Board of Directors to take proper decisions which contribute to achieving the Company's interests.</p> <p>b) The Board of Directors shall conduct an annual evaluation to determine the extent of achieving the member's independency and ensure that there are no relationships or circumstances which affect or may affect him/her.</p>
---	--

<p>Representing the company before the judicial authorities and supervising the relations between the Board and other internal and external bodies.</p> <p>c) Supporting the efforts of the Board of Directors in raising the level and standards of governance in the company and ensuring compliance with the relevant laws and regulations at all times.</p> <p>d) There shall be no overlap between the responsibilities of the Chairman of the Board of Directors and the Chief Executive Officer. The Chairman of the Board of Directors shall abide by his supervisory role and not perform the executive functions that fall within the competence of the Chief Executive Officer.</p> <p>e) The Chairman of the Board of Directors shall ensure that the Board carries out its work responsibly and without undue interference in the Company's operational operations.</p> <p>(f) Ensure that members of the Board of Directors receive complete, clear, correct and non-</p>	<p>c) The impediments to the required independence of the independent Board member include, without being limited to:</p> <ol style="list-style-type: none"> <li>1. Holding at least 5% of the Company's shares or shares of any other company within its group, or being related to the holder of these shares.</li> <li>2. Being a major shareholder in the Company or in a relevant company, or being a representative of or acting for a major shareholder.</li> <li>3. Being related to any of the Board members of the Company or any other company within its group.</li> <li>4. Being related to any chief executives of the Company or any other company within its group.</li> <li>5. Being a member of the Board of Directors of a company within the group of the Company for which he is nominated for the Board membership.</li> <li>6. Being a member of the Board of Directors of a relevant company or any affiliated company and having been appointed to this position within the last two years.</li> <li>7. Working (or having been employed) as an employee at the Company or any other company within its group during the last two years, owning controlling interests of the</li> </ol>
---	--

<p>misleading information in a timely manner.</p> <p>g) Ensure that the Board discusses all key issues effectively and in a timely manner.</p> <p>Encourage the members of the Board of Directors to exercise their duties effectively and in the interest of the Company.</p> <p>i) Ensure that there are channels of actual communication with shareholders and communicate their views to the Board of Directors.</p> <p>j) Encourage constructive relations and effective participation between the Board of Directors and the executive management and between executive, non-executive and independent members, and create a culture that encourages constructive criticism.</p> <p>Holding meetings periodically with non-executive members of the Board of Directors without the presence of any executive in the company.</p> <p>l) Inform the Ordinary General Assembly when it convenes of the works and contracts in which one of the members of the Board of</p>	<p>Company, or being a party dealing with the Company or any other company within its group such as auditors and higher-tier suppliers during the last two years.</p> <p>8. Having a direct or indirect interest in the business and contracts concluded for the benefit of the Company.</p> <p>9. Having a contractual or commercial relationship with the Company (whether directly or through an entity in which he is a major shareholder, a member of its Board of Directors or a director) resulting in paying or receiving an amount of (250 thousand Saudi Riyals) from the Company (other than the amounts of money in relation with the insurance contracts and remunerations payable to the member for his membership) during the last two years.</p> <p>10. Receiving amounts of money from the Company in addition to the bonuses of the Board membership or any of its committees which exceed (SR 200,000) or exceed 50% of the last bonus he received for his membership of the Board or from any of its committees, whichever is less.</p> <p>11. Being financially committed to the Company, any member of its Board of Directors or its top management in a manner that may affect his ability to make judgments or decisions independently.</p>
---	---

<p>Directors has a direct or indirect interest.</p> <p>7 . Termination of the membership of the Board of Directors:</p> <p>The Articles of Association of the Company shall indicate the manner of termination of the membership of the Board of Directors, and the Ordinary General Assembly may at any time dismiss all or some of the members of the Board, even if the Company's Articles of Association stipulate otherwise, without prejudice to the right of the person who was dismissed to compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. The General Assembly may, upon the recommendation of the Board of Directors, terminate the membership of any of its members who are absent from attending three consecutive meetings of the Board without a legitimate excuse.</p> <p>Upon termination of the membership of a member of the Board of Directors by one of the methods of termination of membership, the company shall notify the Authority and the Market</p>	<p>12. Collaborating with a business that competes with the Company, or trading in one of the Company's subsidiary activities.</p> <p>13. Being a member of the Company's Board of Directors for more than nine consecutive or separate years.</p> <p>d) If the business and contracts that meet personal needs are conducted under the same terms and conditions with which the Company complies when dealing with all contractors and are involved within the usual Company's activity, they shall not be deemed interests which impede the required independence of the Board member, for which he shall obtain permission from the annual general assembly, unless the nomination and remuneration committee decides otherwise.</p> <p><b>Article 30: Roles and Responsibilities of the Board Chairman</b></p> <p>a) The Board shall select a non-executive member to become the Board chairman, and may also select a non-executive member to become the vice-chairman of the Board of Directors (after receiving a non-objection letter from the Insurance Authority). The Board of Directors shall authorize the Board chairman to organize the business of the Board, and shall vest in him the powers necessary to perform his duties and responsibilities.</p>
---	--

<p>immediately with a statement of the reasons for this.</p> <p>c) If a member of the Board of Directors resigns and has observations on the performance of the company, he shall submit a written statement thereof to the Chairman of the Board of Directors, and this statement shall be presented to the members of the Board of Directors.</p> <p>8- Dismissal of the members of the Board of Directors:</p> <p>The Ordinary General Assembly may at any time dismiss all or some of the members of the Board of Directors, even if the Company's Articles of Incorporation stipulate otherwise, without prejudice to the right of the dismissed member to hold the Company accountable if the dismissal occurs for an unacceptable justification or at an inappropriate time.</p>	<p>b) Without prejudice to any other regulatory or supervisory requirements, the Board Chairman shall lead the Board and supervise the its work progress and functions effectively. The duties and functions of the Board Chairman shall include but are not limited to:</p> <ol style="list-style-type: none"><li>1. Ensuring that the Board members are provided with the full, clear and correct information at the proper time.</li><li>2. Verifying that the Board of Directors discuss all essential issues effectively at the proper time.</li><li>3. Representing the Company before third parties pursuant to the provisions of the Companies' Law, its implementing Regulations and the Company's Articles of Association.</li><li>4. Encouraging the Board members to perform their duties effectively and in favor of the Company.</li><li>5. Ensuring that there is effective communication with the shareholders and communicating their views to the Board of Directors.</li><li>6. Encouraging the constructive relationships and effective participation between the Board of Directors and the executive management, and between executive, non-executive and</li></ol>
---	---



<p>(b) It must be a member of the Board of Directors in the event of:</p> <p>Expiry of the term of membership. .1</p> <p>Resignation of a Board Member .2</p> <p>Death of a member of the Board of Directors .3</p> <p>The occurrence of a physical or mental defect or injury that makes the member unable to perform his tasks and duties .4</p> <p>as required.</p> <p>Declaring the member bankrupt or insolvent, submitting a settlement request with creditors, or stopping debt payment .5</p> <p>Convicting the member with a final judgment for a moral or legal crime in the Kingdom or any other country. .6</p> <p>Failure to fulfill the obligations of the membership of the Board of Directors in a way that harms the Company (in this case the General Assembly must approve the termination of the</p>	<p>independent members, furthermore, reinforcing the constructive criticism.</p> <p>7. Preparing the Board meetings' agenda and taking into consideration any issue presented to the Board by one of its members or the auditor, and Consulting the Board members and the chief executive on the preparation of the Board meetings' agenda.</p> <p>8. Holding periodic meetings with the Board non-executive members without attendance of any executive member.</p> <p><b>Article 31: Key Functions of the Board of Directors</b></p> <p>a) The Board of Directors shall represent all the shareholders. So, the Board shall exert all possible efforts to manage the Company, and shall do everything possible to protect and develop the Company's interests, and maximize its value.</p> <p>b) The Board of Directors shall be responsible for the Company's business, even if the Board delegates its functions to committees, bodies or individuals. In all cases, the Board of Directors may not issue a general or unfixed-term power of attorney.</p> <p>c) Subject to the determined functions of the General Assembly contained in the Companies'</p>
--	--

<p>membership of the Board of Directors). .7</p> <p>Failure to attend three meetings within one year without providing a justified and acceptable excuse. 8.</p> <p>Inability to perform the role assigned to him in accordance with the laws or regulations in force in the Kingdom of Saudi Arabia. .9</p> <p>c) In accordance with the disclosure requirements, SAMA must be notified upon the resignation or dismissal of a member of the Board of Directors for any reason other than the expiry of the membership period within 5 working days of the member leaving the membership of the Board of Directors.</p> <p>d) The Board of Directors may, by a majority vote of its members, relieve the Chairman of the Board of his duties at any time.</p> <p>9- Vacancy of the position of membership of the Board of Directors:</p> <p>a) If the position of one of the members of the Board of Directors becomes vacant, the Board may</p>	<p>Law, Implementing Regulations and the Company's Articles of Association, and without prejudice to any other regulatory or supervisory requirements, the Board of Directors shall have the widest powers to manage the Company and administer its business to achieve its purposes. The duties and functions of the Board of Directors shall include the following:</p> <p>1. Developing plans, policies, strategies and main objectives of the Company, supervising their implementation and reviewing them periodically as well as ensuring the availability of the necessary human and financial resources to achieve them such as:</p> <p>a) Developing, reviewing and directing the Company's comprehensive strategies, main business plans, and risk management policies and procedures.</p> <p>b) Defining the Company's optimum capital structure, financial strategies and objectives, and approving the estimated budgets of all types.</p> <p>c) Supervising the Company's main capital expenses, and owning and disposing of its assets.</p> <p>d) Supervising the executive management, setting the performance targets, monitoring the implementation and the comprehensive performance in the Company.</p>
---	---

<p>temporarily appoint a member to the vacant position, provided that such appointment shall be submitted to the Ordinary General Assembly at its first meeting . The new member shall complete the term of office of his predecessor only.</p> <p>If the number of members of the Board of Directors falls short of the quorum necessary for the validity of its meetings, the Ordinary General Assembly shall be convened as soon as possible to appoint the necessary number of members.</p> <p>10 Core functions of the Board of Directors:</p> <p>The Board of Directors represents all shareholders, and shall exercise the duties of care and loyalty in the management of the company and all that would preserve its interests, develop it and maximize its value.</p> <p>The Board of Directors of the Company shall be responsible for its work, even if it delegates committees, entities or individuals to exercise some of its functions. In all cases, the Board of Directors</p>	<p>e) Reviewing and approving the organizational and staffing structure periodically.</p> <p>f) Ensuring the availability of the necessary human and financial resources to achieve the Company's main goals and plans.</p> <p>2. Setting and supervising the internal control rules, which include the following:</p> <p>a) Drafting a written policy for handling the real and potential cases of conflict of interests of the Board members, executive management and shareholders. These cases shall include the abusing of the Company's assets and facilities, and mishandling of communications with the related parties.</p> <p>b) Ensuring the integrity of the financial and accounting systems, including the systems of preparing the financial reports.</p> <p>c) Ensuring the implementation of appropriate control systems to measure and manage risk by forming a general conception of risks that the Company may encounter, creating a conscious environment for risk management, and discussing it transparently with the Company's stakeholders and relevant parties.</p> <p>d) Annual reviewing of the effectiveness of the Company's internal control measures.</p> <p>3. Preparing clear and concise policies, standards and procedures for the Board</p>
--	--

<p>may not issue a general or indefinite authorization.</p> <p>Among the most important basic functions of the Board of Directors are the following:</p> <p>1. Approving the strategic directions and main objectives of the company and supervising their implementation, including:</p> <p>a) Develop and supervise the strategic plans, main operations and work plans of the company.</p> <p>b) Developing, reviewing and directing a risk management policy.</p> <p>c) Approve, review and update key policies and procedures on a regular basis.</p> <p>d) Determine the optimal capital structure of the company, its strategies and financial objectives and approve the annual budgets.</p> <p>Supervise the company's major capital expenditures, and the acquisition and disposal of assets.</p> <p>F) Setting performance objectives and monitoring the implementation</p>	<p>membership, which shall not contravene the compulsory provisions stipulated in the Corporate Governance Policy issued by the Capital Market Authority, and putting them into effect following the approval of the General Assembly.</p> <p>4. Drafting a written policy to regulate relationships with stakeholders pursuant to the provisions of this Policy.</p> <p>5. Establishing policies and procedures to ensure the Company's compliance with applicable laws and regulations, and disclosing material information to shareholders and stakeholders, and verifying the Executive Management's adherence thereto.</p> <p>6. Selecting and replacing executive employees in key positions, when necessary, and ensuring that the Company has an appropriate succession policy suitable for a qualified and skilled replacement.</p> <p>7. Ensuring the protection of policyholders' interests at all times and promoting the Company's corporate governance standards.</p> <p>8. Overseeing the management of the Company's finances, cash flows, and its financial and credit relationships with third parties.</p>
--	---

<p>and overall performance of the company.</p> <p>Periodic review and approval of the organizational and functional structures of the company.</p> <p>Selecting and changing executive staff in key positions (when needed), and ensuring that the company has an appropriate replacement policy that is qualified for employment and has the required skills.</p> <p>i) Supervise senior management and monitor the company's performance against the performance targets set by the Board.</p> <p>Ensure the integrity and integrity of the reporting system and financial statements and the appropriateness of the disclosure mechanism.</p> <p>(k) Ensure that the interests of the insured are protected at all times.</p> <p>Upgrading the level and standards of governance in the company and ensuring compliance with the relevant laws and regulations at all times.</p>	<p>9. Making recommendations to the Extraordinary General Assembly regarding the following:</p> <p>a. Increasing or decreasing the Company's share capital.</p> <p>b. Dissolving the Company prior to the expiry of its term as provided in its Articles of Association or determining its continuation.</p> <p>10. Making recommendations to the Ordinary General Assembly regarding the following:</p> <p>a. Using the Company reserves in the cases where no specific purpose has been designated in the Company's Articles of Association.</p> <p>b. Forming additional reserves or financial provisions for the Company.</p> <p>c. The method of distributing the Company's net profit.</p> <p>11. Preparing and approving the interim and annual financial reports of the Company prior to their publication.</p> <p>12. Preparing and approving the Board of Directors' report prior to its publication.</p> <p>13. Ensuring the accuracy and integrity of the data and information required to be disclosed, in accordance with the applicable disclosure and transparency policies and procedures.</p> <p>14. Establishing effective communication channels that allow shareholders to be regularly and continuously aware of the Company's</p>
---	--

<p>m) Develop written policies and procedures to regulate its activities formally and transparently.</p> <p>The Board of Directors shall grant the necessary powers to the Audit Committee to investigate any matter within its competence and ensure that the internal audit function is independent and has access to all the information it needs to carry out its work. The Board shall also take all necessary measures to ensure that senior management responds to internal auditors' queries and recommendations.</p> <p>2. Develop systems and controls for internal control and general supervision, including:</p> <p>a) Develop a written policy that regulates conflicts of interest and addresses potential conflicts for the members of the Board of Directors, the Executive Management and shareholders, including misuse of the company's assets and facilities, and misconduct resulting from dealings with related persons.</p>	<p>various activities and any material developments.</p> <p>15. Forming specialized committees under Board decisions that define their duration, powers, responsibilities, and the Board's oversight mechanisms. The formation decision shall also specify the committee members, their duties, rights, and obligations, as well as the performance evaluation of the committees and their members.</p> <p>16. Determining the types of remuneration granted to Company employees, such as fixed remuneration, performance-based remuneration, and remunerations in the form of stock, in a manner that does not conflict with the Implementing Regulations to the Companies Law for Listed Joint Stock Companies.</p> <p>17. Informing the Ordinary General Assembly, upon its convening, of the transactions and contracts in which any Board member has a direct or indirect interest, including the information provided by the concerned member to the Board and accompanied by a special report from the Company's external auditor.</p> <p>18. Establishing the values and standards governing the work within the Company.</p>
---	--

<p>Ensure the integrity of financial and accounting systems, including those related to financial reporting.</p> <p>c) Ensure the application of appropriate control systems for risk management, by defining the general perception of the risks that the company may face and presenting them transparently.</p> <p>d) Annual review of the effectiveness of internal control procedures in the company.</p> <p>e) Develop a corporate governance system for the company in a manner that does not conflict with the provisions of these Regulations, supervise it generally, monitor its effectiveness and amend it when needed.</p> <p>f) Develop clear and specific policies, standards and procedures for membership in the Board of Directors and put them into effect after their approval by the General Assembly.</p> <p>3) Develop a written policy regulating the relationship with stakeholders in order to protect them and preserve their rights, and</p>	<p>19. The company's board of directors is responsible for the management of fraud risk. Its activities should include:</p> <p>The approval of the fraud management strategy.</p> <p>The mobilization of required internal resources to enable proper detection, measurement, mitigation and monitoring of fraud risk in all market segments.</p> <p>The promotion of the company's anti-fraud values and strategy across the organization and to the market.</p> <p><b>Article 32: Remuneration and Compensation of Board Members</b></p> <p>a) The Company's Articles of Association shall define the remuneration of the Chairman and Board members in return for the services performed thereby. Such remuneration may be amended by a resolution of the Extraordinary General Assembly of shareholders.</p> <p>b) The Board of Directors shall propose the remuneration of its members based on the recommendation of the Nomination and Remuneration Committee, in line with applicable laws, regulations, and relevant instructions, and in accordance with any conditions approved by the General Assembly. No remuneration or compensation proposed for the Chairman or Board members shall be approved without the General Assembly's</p>
--	---

<p>this policy shall cover , in particular , the following:</p> <p>a) Mechanisms for compensating stakeholders in case of violation of their rights recognized by regulations and protected by contracts.</p> <p>b) Mechanisms for settling complaints or disputes that may arise between the company and stakeholders.</p> <p>c) Appropriate mechanisms for establishing good relations with customers and suppliers and maintaining the confidentiality of information related to them.</p> <p>d) The rules of professional conduct for managers and employees of the company to comply with sound professional and ethical standards and regulate the relationship between them and stakeholders, provided that the Board of Directors sets mechanisms to monitor the application of these rules and compliance with them.</p> <p>e) The company's social contribution.</p>	<p>consent. The Company shall ensure full disclosure of all proposed remuneration and compensation details in writing to be made available to all shareholders prior to convening the General Assembly during which such matters shall be voted on.</p> <p>c) The Company shall have a remuneration and compensation policy, in accordance with the requirements of Article (11) of the INSURANCE CORPORATE GOVERNANCE REGULATION issued by the Insurance Authority. This policy shall cover all employee levels and categories, whether full-time or contracted, and shall address at a minimum the following aspects:</p> <ol style="list-style-type: none"><li>1. The objectives of the remuneration and compensation scheme.</li><li>2. The structure of the remuneration and compensation scheme.</li><li>3. The determinants of fixed and variable remuneration and compensation elements.</li><li>4. The linkage between remuneration/compensation and performance.</li></ol> <p>d) The Board of Directors shall ensure that the level and structure of remuneration and compensation:</p> <ol style="list-style-type: none"><li>1. Are fair.</li><li>2. Are compliant with company objectives.</li><li>3. Encourage precautionary practices and not taking high risks to achieve short-term returns,</li></ol>
--	--



<p>4. Develop policies and procedures that ensure that the company respects the rules and regulations and its commitment to disclose material information to shareholders, creditors and other stakeholders.</p> <p>11. Distribution of competencies and tasks:</p> <p>The organizational structure of the company should include the definition of competencies and the distribution of tasks between the Board of Directors and the executive management in accordance with the best practices of corporate governance, improves the efficiency of the company's decision-making and achieves a balance in the powers and authorities between them.</p> <p>12 Duties of the members of the Board of Directors:</p> <p>The duties and duties of the members of the Board of Directors include the following:</p> <p>Adopt a written and detailed policy specifying the powers delegated to the executive management and a table explaining those powers, the</p>	<p>consistent with the Company's risk management policy as approved by the Board.</p> <p>4. Do not cause any conflicts of interest that would negatively impact the Company's performance.</p> <p>5. Aim to achieve the policyholders' interests, shareholders, and the Company's long-term strategic objectives.</p> <p>e) Neither members of the Board of Directors nor Senior Management (except sales managers) may receive commissions or bonuses for transactions they help conclude on behalf of the Company. Furthermore, no portion of compensation or remuneration of any Board member or Senior Management, except Sales Managers, may be directly linked to the Company's business volume (insurance premiums).</p> <p><b>Article 33: Duties and Responsibilities of Board Members</b></p> <p>a) Each member of the Board of Directors shall, by virtue of their membership, perform the following duties and responsibilities.</p> <p>1. Submitting proposals to develop the Company's strategy.</p> <p>2. Monitoring the performance of the Executive Management and the extent to which it shall achieve the Company's objectives and purposes.</p>
---	--

<p>method of implementation and the duration of the delegation, and the Board of Directors may request the executive management to submit periodic reports on its exercise of the delegated powers.</p> <p>b) Submit proposals for the development of the company's strategy.</p> <p>C- Monitor the performance of the executive management and the extent to which it achieves the company's goals and objectives.</p> <p>d) Review the company's performance reports.</p> <p>e) Verify the integrity and integrity of the company's financial statements and information.</p> <p>f) Verify that the company's financial control and risk management systems are strong.</p> <p>Determine the appropriate levels of remuneration for members of the executive management.</p> <p>Expressing an opinion on the appointment and dismissal of members of the executive management.</p>	<p>3. Auditing the Company's performance reports.</p> <p>4. Verifying the integrity and accuracy of the Company's financial statements and information.</p> <p>5. Ensuring that the Company's financial controls and risk management systems are strict.</p> <p>6. Determining appropriate levels of compensation for members of the Executive Management.</p> <p>7. Providing opinions on the appointment and dismissal of the Executive Management members.</p> <p>8. Participating in the development of the succession plan for the Company's executive positions.</p> <p>9. Fully complying with the provisions of the Companies Regulation, the Capital Market Regulation, their implementing regulations, other relevant regulations, and the Company's Articles of Association when performing Board duties, and refraining from engaging in or participating in any act that may constitute mismanagement of the Company's affairs.</p> <p>10. Attending meetings of the Board of Directors and the General Assembly and refraining from being absent unless due to a legitimate excuse</p>
--	--

<p>i) Participate in the development of succession and replacement plan in the company's executive functions.</p> <p>Fully comply with the provisions of the Companies Law, the Capital Market Law, their implementing regulations, the relevant regulations and the Articles of Association when exercising his duties as a member of the Board.</p> <p>Attend the meetings of the Board of Directors and the General Assembly and not be absent from them except for a legitimate excuse notified to the Chairman of the Board in advance, or for emergency reasons.</p> <p>l) Allocate sufficient time to carry out his/her responsibilities, prepare for and participate effectively in meetings of the Board of Directors and its committees, including asking relevant questions and discussing with the Company's senior executives.</p> <p>Study and analyze information related to the topics considered by the Board of Directors before expressing an opinion thereon.</p>	<p>communicated in advance to the Chairman of the Board, or due to emergency circumstances.</p> <p>11. Dedicating sufficient time to fulfill responsibilities, including preparation for active participation in Board and committee meetings, by asking relevant questions and engaging with the Company's senior executives.</p> <p>12. Studying and analyzing information related to the matters under consideration by the Board prior to giving an opinion, and ensuring that Board members have an appropriate level of influence over the decisions made.</p> <p>13. Enabling other Board members to freely express their opinions, and encouraging the Board to discuss matters and seek the views of relevant experts from within the Company's Executive Management or from others when needed.</p> <p>14. Promptly and fully disclosing to the Board any interest, whether direct or indirect, that he may have in the Company's transactions or contracts. Such disclosure shall include the nature and extent of the interest, the names of any related parties, and the expected benefit to be gained directly or indirectly, whether financial or non-financial. Such member shall abstain from voting on any resolution relating to such interest, pursuant to the provisions of the</p>
---	--

<p>Enable other members of the Board of Directors to express their opinions freely, and urge the Board to deliberate on topics and survey the opinions of specialists from the members of the Company's executive management and others if the need arises.</p> <p>Q) Inform the Board of Directors fully and immediately of any interest it has, directly or indirectly , in the business and contracts concluded for the Company's account, including the nature of such interest, its limits, the names of any persons concerned therewith, and the expected benefit derived directly or indirectly from such interest, whether financial or non-financial, and that member shall not participate in voting on any resolution issued in this regard.</p> <p>p) Inform the Board of Directors fully and immediately of its participation , directly or indirectly , in any business that would compete with the Company.</p> <p>Not to broadcast or disclose any secrets that he has found through his membership in the Board to any of the company's shareholders -</p>	<p>Companies Regulation, the Capital Market Regulation, and their implementing regulations.</p> <p>15. Promptly and fully disclosing to the Board any direct or indirect involvement in activities that may compete with the Company, or any direct or indirect competition with the Company in any of its lines of business, pursuant to the provisions of the Companies Regulation, the Capital Market Regulation, and their implementing regulations.</p> <p>16. Refraining from disclosing or revealing any confidential information communicated Board membership to any shareholder, unless during a General Assembly meeting, or to any third party, as required by the provisions of the Companies Regulation, the Capital Market Regulation, and their implementing regulations.</p> <p>17. Acting on the basis of complete information, in good faith, and with the required care and diligence, for the interest of the Company and all of its shareholders.</p> <p>18. Being aware of the duties, roles, and responsibilities associated with Board membership.</p> <p>19. Continuously developing knowledge related to the Company's business and activities, as well as in relevant financial, commercial, and industrial fields.</p>
---	---

<p>unless during the meetings of the general assembly as required by the relevant laws and regulations.</p> <p>(r) Recognize his duties, roles and responsibilities arising from membership.</p> <p>(s) Developing his knowledge in the field of the company's activities and business.</p> <p>Resignation from the membership of the Board of Directors in the event that he is unable to fulfill his duties in the Board fully.</p> <p>Approving the internal financial powers of the company to the CEO or third parties after the recommendation of the Executive Committee.</p> <p>13. Duties of the independent member:</p> <p>An independent board member shall actively participate in the performance of the following tasks:</p> <p>a) Provide independent opinion on strategic matters, company policies, performance, and appointment of members of the executive management.</p>	<p>20. Resigning from the Board in the event of being unable to fulfill Board duties effectively.</p> <p>21. Members of the Board shall have the full authority to access any and all information related to the Company.</p> <p>22. Members of the Board shall maintain continuous awareness of the operational proceedings and shall act in good faith and with diligence, exercising the required professional care and adhering to the applicable regulations and bylaws in a manner that benefits the shareholders, policyholders, where applicable, and other stakeholders.</p> <p>23. Members of the Board of Directors shall perform their duties independently, free from any external influence, whether internal or external to the Company. Furthermore, Members of Board shall not prioritize their personal interests or the interests of those represented thereby over the interests of the Company, the shareholders, and other stakeholders.</p> <p>24. Members of the Board and its committees shall not disclose confidential information obtained as a result of their exercise of their responsibilities to the shareholders or the public outside the scope of the General Assembly meetings, or from utilizing any such information</p>
---	---

<p>b) Verifying that the interests of the company and its shareholders are taken into account and presenting them in the event of any conflict of interest.</p> <p>c) Supervise the development of the company's governance rules and monitor the implementation of the executive management thereof.</p> <p>d) The independent member of the Board of Directors shall ensure that he attends all meetings in which important and fundamental decisions affecting the status of the company are taken.</p> <p>14 Symptoms of independence:</p> <p>a) An independent board member must be able to exercise his duties, express his opinions and vote on decisions objectively and impartially, in a manner that helps the board of directors to take sound decisions that contribute to achieving the interests of the company.</p> <p>(b) The Board of Directors shall conduct an annual assessment of the extent to which the independence of the member has been achieved and ensure that there</p>	<p>for the purpose of achieving personal gain or profit.</p> <p>25. The Board may seek the services of independent external consultants, if required, at the expense of the Company.</p> <p>(b) Subject to the provisions of paragraph (a) of this Article, the independent member of the Board of Directors shall actively participate in carrying out the following duties:</p> <p>1) Rendering independent opinions on strategic matters, company policies, performance, and the appointment of executive management members.</p> <p>2) Verifying the due consideration and prioritization of the Company's and its shareholders' interests in the event of any conflict of interest.</p> <p>3) Overseeing the development of the Company's corporate governance regulations and monitoring their implementation by the Executive Management.</p> <p><b>Article 34: Distribution of Powers and Authorities</b></p> <p>The organizational chart of the company shall contain the determination of powers and authorities among the Board of Directors and the Executive Management in line with best practices of corporate governance and what enhances the efficiency of the Company's decision-making and achieves a balance in the authorities and powers among them. To this end, the Board of Directors shall:</p>
---	--

<p>are no relationships or circumstances that affect or could affect him.</p> <p>c) It is not considered an interest contrary to the independence of a member of the Board of Directors, which must obtain a prior authorization from the Ordinary General Assembly to renew every year the works and contracts concluded with a member of the Board of Directors to meet his personal needs if these works and contracts are carried out in the same conditions and conditions as the company follows with the general contractors and dealers and are within the company's usual activity, unless the Remuneration and Nomination Committee deems otherwise.</p> <p>d) Incompatible with the independence required of an independent board member, including but not limited to the following:</p> <ol style="list-style-type: none"> <li>1. To be the owner of (5%) or more of the company's shares or of the shares of another company from its group or has a kinship relationship</li> </ol>	<ol style="list-style-type: none"> <li>1. Approve and develop the internal policies related to the Company's operations, including the determination of powers, authorities, and responsibilities assigned to the various organizational levels.</li> <li>2. Approve a detailed written policy determining the powers delegated to the Executive Management and a matrix illustrating such powers, the method of execution, and the term of the delegation. The Board of Directors may request the Executive Management to submit periodic reports regarding its exercise of the delegated powers.</li> <li>3. Specifying the topics over which the Board shall retain the authority to decide on.</li> </ol> <p><b>Article 35 Separation of Roles</b></p> <p>a) Subject to the provisions of the Company's Articles of Association, the Board of Directors shall appoint from among its members a Chairman and a Vice Chairman, and may appoint from its members a Managing Director or a Chief Executive Officer.</p> <p>b) The position of Chairman of the Board of Directors shall not be combined with any executive position within the Company, including the Managing Director, Chief Executive Officer, or General Director notwithstanding any provision to the contrary in the Company's Articles of Association.</p>
--	--



<p>with the person who owns this percentage.</p> <p>2. To be a representative of a legal person who owns (5%) or more of the company's shares or of the shares of another company from its group.</p> <p>3. To be related to any of the members of the board of directors in the company or in another company of its group.</p> <p>4. To be related to any senior executive in the company or in another company of its group.</p> <p>5. To be a member of the Board of Directors of another company from the group of the company nominated for membership of the Board of Directors.</p> <p>6. Has worked or has been an employee of the Company or any party dealing with it or any other company of its group, such as auditors and major suppliers, or has owned controlling interests in any of those parties during the past two years.</p> <p>7. To have a direct or indirect interest in the business and</p>	<p>c) The Board of Directors shall determine the powers and authorities of the Chairman of the Board, the Vice Chairman, and the Managing Director or the Chief Executive Officer, clearly and in writing, if the Company's Articles of Association are silent about such matters.</p> <p>d) In all cases, no individual shall have absolute authority to make decisions on behalf of the Company.</p> <p><b>Article 36: Board Meetings</b></p> <p>1. Subject to the provisions set out in the Companies Law and its implementing regulation, the Board of Directors shall hold regular meetings to effectively carry out its duties. Furthermore, The Board shall also hold meetings whenever needed.</p> <p>2. The Board of Directors shall hold meetings on a periodic and regular basis, and whenever needed, provided that the Board's annual meetings shall not be less than four; at least one meeting every three months.</p> <p>3. The Board of Directors shall hold, at the Chairperson's call or a member's request, the meeting. The meeting notices together with agendas and necessary information shall be served on each member at least five days prior to the date of meeting. However, unless the conditions require holding the meeting urgently, the meeting notices together with agendas and necessary information shall be served on each member within a period of less than five days prior to the date of meeting.</p> <p>4. A meeting of the Board of Directors shall only be valid if attended by at least half the number of its members, whether in person or by proxy, provided that the number of attendees shall be not less than three, unless the Company's Articles of Association stipulate otherwise.</p>
---	--



<p>contracts concluded for the company's account.</p> <p>8. To receive sums of money from the company in addition to the membership remuneration of the Board of Directors or any of its committees, exceeding (200.000) riyals or 50 % of his remuneration in the previous year obtained in return for membership of the Board of Directors or any of its committees, whichever is less.</p> <p>9. Participate in a business that would compete with the company, or trade in one of the branches of the activity carried out by the company.</p> <p>10. He must have spent more than nine consecutive or separate years as a member of the company's board of directors.</p> <p>15 Board Meetings and Agenda:</p> <p>A) The Board of Directors shall meet at the invitation of its Chairman in accordance with the conditions stipulated in the Company's Articles of Association, however, and regardless of any contrary provision in the Company's Articles of Association,</p>	<p>5. The non-executive members of the Board shall hold closed meetings, without the Board members attending, at least once annually.</p> <p>6. The Board of Directors meeting minutes shall be recorded, signed by the Chairperson and Secretary, and officially registered. Such minutes shall clearly state attendees, transaction topics, key deliberations, voting results, objections, abstentions, with giving reasons, if any, adopted decisions, any reservations, and all records reviewed or referred to in the meeting minutes.</p> <p>7. If any member of the Board of Directors has comments on the performance of the Company or any of the matters presented, and such comments are not resolved during the Board meeting, such comments shall be recorded, along with any actions taken or proposed to be taken by the Board in respect thereof, in the minutes of the Board meeting.</p> <p>8. If a Board member disagrees with a Board decision, their dissenting opinion shall be detailed in the meeting minutes.</p> <p>9. The procedures governing attendance at meetings of the Board of Directors, and the handling of members' irregular attendances at such meetings, shall be duly regulated."</p> <p>10. An independent member of the Board of Directors shall diligently attend all meetings wherein significant and substantive decisions impacting the status of the Company are adopted.</p> <p>11. The Board of Directors shall approve the agenda upon the convening of its meeting. In the event that any member objects to the agenda, such objection shall be recorded in the minutes of the Board meeting. Furthermore,</p>
--	--

the Chairman of the Board shall invite him to the meeting whenever requested to do so by two of the members.

The meeting of the Board shall not be valid unless attended by (six) members by themselves or by proxy, provided that the number of members present in person (at least four) members, including an independent member.

C) The decisions of the Council shall be issued by a majority of the opinions of the members present or represented, and in the event of equality of opinions, the opinion of the Chairman of the Council shall prevail.

d) The Board of Directors shall meet four times a year, provided that it shall be one meeting every three months, and it shall also be entitled to meet.

at any time if the need arises.

The Chairman of the Board of Directors shall consult with the other members and the Chief Executive Officer when preparing a specific schedule of topics to be presented to the Board, and the

each member of the Board of Directors shall have the right to propose the inclusion of any item in the agenda.

**Article 37: Exercise of the Board's Powers**

1. The Board of Directors shall exercise its authorities and powers in leading the Company within a framework of prudent and effective controls that allow for the measurement and management of risks and the alleviation of their impact. The Board shall also establish written policies and procedures to govern its activities in a formal and transparent manner.

2. The Board of Directors, within its authorities and powers, may delegate specific works or duties directly to one or more of its members, committees, or third parties.

3. The Board of Directors shall establish an internal policy outlining the operational procedures of the work within the Board, which seeks to encourage its members to perform effectively in fulfilling their obligations towards the Company.

4. The Board of Directors shall be responsible for organizing its affairs and allocating sufficient time for the fulfillment of the duties and responsibilities entrusted thereto, encompassing the preparation for meetings of the Board and its committees, and ensuring the coordination, recording, and maintenance of the minutes of its meetings.

**Article 38: Termination of Board Membership**

1. Membership of the Board of Directors shall terminate on the following grounds.

a) Expiry of the Board term.

b) Resignation of a member of the Board of Directors.

<p>agenda, accompanied by documents, shall be sent to the members well in advance of the meeting, so that they can study the topics and prepare well for the meeting. The Board of Directors shall approve the agenda as soon as it is convened, and in the event that any member objects to this agenda, the details of such objection shall be recorded in the minutes of the meeting.</p> <p>The Board of Directors shall document its meetings and prepare minutes of discussions and deliberations, including the voting processes that have taken place, and classify and save them so that they are easy to refer to, and all documents and records that have been viewed and/or referred to during the meeting of the Board of Directors shall be attached to the minutes of the meeting.</p> <p>The minutes of the Council must be recorded, signed by the Chairman and the Secretary and notarized in an official register.</p> <p>The non-executive members of the Board shall hold closed meetings without the presence of the</p>	<p>c) Death of a member of the Board of Directors.</p> <p>d) The diagnosis of a mental infirmity or a physical impairment that substantially impedes a member's ability to fulfill their responsibilities effectively.</p> <p>e) Declaration of the Board member's bankruptcy or insolvency, their petition for a settlement with creditors, or their cessation of payment of debts.</p> <p>f) Conviction of an act involving moral turpitude or dishonesty, or forgery, or a violation of the laws and regulations in the Kingdom of Saudi Arabia or elsewhere.</p> <p>g) A member of the Board's breach of its duties in a manner prejudicial to the Company's interests, provided that the same shall be approved by the Ordinary General Assembly.</p> <p>h) Being absent from three (3) meetings during a single year without a legitimate and valid reason.</p> <p>i) The member's ineligibility for continuing to exercise their responsibilities pursuant to a provision of the laws in force within the Kingdom of Saudi Arabia.</p> <p>j) Any other case stipulated in the relevant laws and regulations.</p> <p>2. The Authority shall be notified of the resignation of any Board member or the termination of their membership for any reason except the expiry of the Board term within (5) working days from the date of quitting the work, in consideration of the relevant disclosure requirements.</p> <p><b>Article 39: Secretary</b></p> <p>(A) The Board of Directors shall appoint a secretary for the duration of the Board's term in</p>
--	--

<p>members of the Department at least once a year. Non-executive members of the Board may invite any of the oversight functions to attend these meetings.</p> <p>i) Each member of the Board of Directors has the right to add any item to the agenda.</p> <p>16. Notes of the members of the Board of Directors:</p> <p>a ) If any of the members of the Board of Directors has observations regarding the performance of the Company or any of the topics presented and they are not decided upon at the Board meeting, they shall be recorded and the measures taken by the Board or deems necessary to be taken thereon shall be indicated in the minutes of the Board meeting.</p> <p>b) If a member of the Board of Directors expresses an opinion contrary to the decision of the Board, it must be recorded in detail in the minutes of the Board meeting.</p> <p>17. Secretary of the Council:</p> <p>a) The Board of Directors shall appoint a secretary for the term of</p>	<p>order to coordinate the Board's business and provide support and assistance for the members. The Secretary may also be a Board member or an employee of the Company. The Board Secretary shall have sufficient experience and knowledge of the Company business and activities. Furthermore, the Board Secretary shall have communication skills and familiarity with rules and the relevant regulation in addition to the best practices in corporate governance. The Board of Directors shall determine the remuneration of the Board Secretary for performing this role.</p> <p>(B) The Board Secretary shall perform his responsibilities as directed by the Chairman of the Board without prejudice to any regulatory or supervisory requirements, including but not limited to the following:</p> <p>1. Coordinating the Board meetings and ensuring the availability of appropriate means of communication for the exchange and registration of information between the Board and its committees and between the executive management and non-executive Board members.</p> <p>2. Keeping the minutes of Board meetings. The minutes of Board meetings are considered the permanent official record of the actions and decisions made by the Board and</p>
--	---

<p>the Board to coordinate the work of the Board and provide support and assistance to the members, and the Secretary may be a member of the Board or an employee of the Company.</p> <p>The Secretary of the Board must have sufficient experience and knowledge of the company's business and activities, have good communication skills, and be familiar with the relevant laws and regulations and best practices in the field of corporate governance.</p> <p>C) The Secretary of the Board shall perform his responsibilities, including, for example:</p> <ol style="list-style-type: none"><li>1. Coordination of meetings of the Council.</li><li>2. Ensure the availability of appropriate means of communication for the exchange and recording of information between the Board and its committees and between the members of the Executive Board of Directors and non-executive members.</li><li>3. Keeping the minutes of the meetings of the Council in the</li></ol>	<p>subcommittees. Accuracy shall be observed in the meeting minutes and clearly reflect all the items and topics discussed at Board meetings, decisions made and any other discussed matters.</p> <ol style="list-style-type: none"><li>3. Presenting draft minutes to Board members for comments prior to signing the same.</li><li>4. Organizing disclosures record of Board members and executive management.</li><li>5. Ensuring that Board members adhere to the procedures approved by the Board.</li><li>6. Providing assistance and advice for the Board members.</li></ol> <p>(C) The minutes of the Board of Directors shall document any voting process conducted during the meeting, including opposition and abstention. Any documents referenced during the meetings shall be attached or referred to and prepare a statement that includes the names of the members present and absent, a list of approved committees, any abstention, if any, from any member and the reasons for them. Such minutes shall be signed by the Chairman of the Board, all attending members and the Secretary.</p> <p>(D) The Secretary of the Board shall notify the Board members of the meeting dates, shall provide them with the agendas and relevant documents, and shall ensure that delivery shall</p>
--	---

<p>permanent official record and the decisions taken by the Council and the committees emanating from it.</p> <p>4. Keeping all necessary documents related to the minutes of the meetings of the Council.</p> <p>5. The minutes of the Board of Directors should document any voting process that took place during the meeting, including opposition and abstention.</p> <p>6. The Secretary of the Board of Directors shall inform the members of the Board of the dates of the meeting, provide them with the relevant agendas and documents, and ensure that they are delivered at least ten working days before the meeting.</p> <p>7. The minutes of the meetings shall be distributed to the parties concerned for signature.</p> <p>8. Verify that the members of the Board of Directors comply with the procedures approved by the Board.</p> <p>9. Presenting the draft minutes to the members of the Board of Directors to express their views on them before signing them.</p>	<p>be done within no less than ten working days prior to the meeting.</p> <p>(E) The minutes of the meetings shall be distributed to the concerned parties within a period not exceeding fifteen days, along with identifying the individual or entity responsible for implementing the decision made. At the beginning of each year, the Board shall establish a specific timetable for receiving reports from the concerned committees and the internal and external auditors. The Board shall also ensure that the mechanism of collecting, preparing and submitting reports is proper and in compliance with the approved internal policy, including preparing important information and forwarding the same to the Board at its specific times.</p> <p>(F) The Secretary of the Board of Directors may only be dismissed by a decision of the Board of Directors.</p> <p><b>Article 40: Board of Directors' Report</b></p> <p>The Board of Directors' report shall include a presentation to its operation during the last fiscal year, and all the factors affecting the company's business. The Board of Directors' report shall include the following:</p> <p>1. What provisions of these regulation have been applied, which have not and the reason therefor.</p>
---	---

<p>10. The Secretary of the Board of Directors may not be removed except by a decision of the Board of Directors.</p> <p>11. The Board of Directors shall determine the remuneration of the Secretary of the Board of Directors for performing this role.</p> <p>Secretary Conditions:</p> <p>The Board of Directors shall determine the conditions to be met by the Secretary of the Board of Directors, provided that they include any of the following:</p> <ol style="list-style-type: none"> <li>1. Hold a university degree in law, finance, accounting, management or equivalent.</li> <li>2. Have at least five years of relevant work experience.</li> </ol> <p>18. Powers and Powers of the Board of Directors:</p> <p>a) Powers of the Board of Directors:</p> <ol style="list-style-type: none"> <li>1. Subject to the competencies prescribed for the General Assembly, the Board of Directors shall have the widest powers in the</li> </ol>	<ol style="list-style-type: none"> <li>2. The names of the members of Board of Directors, the committee members, executive management, their current or former positions, qualifications and experience.</li> <li>3. The names of the companies within or outside the kingdom where a member of the company's Board of Directors is a member of their current or former Boards of Directors.</li> <li>4. The composition of the Board of Directors and classification of its members shall be as follows: Executive Board Member, Non-Executive Board Member and Independent Board Member.</li> <li>5. The procedures carried out by the Board of Directors to inform its members, particularly the non-executive ones, taking into consideration the shareholders' proposals and their comments on the Company and its performance.</li> <li>6. A concise description of committee competences and responsibilities, such as the Audit Committee, the Nomination Committee, and the Remuneration Committee, including the names of the committees and their chairs and members and the number of its meetings, the dates of their convening, and details of attendance of members for each meeting.</li> </ol>
--	---



<p>management of the Company and shall have within the limits of its competence to delegate one or more of its members or third parties to carry out certain work or works .</p> <p>2. The members of the Board of Directors shall be granted full access to any information related to the Company.</p> <p>3. The Board of Directors has the right to seek the advice of an independent third party if necessary, as the company bears the costs of such consultation.</p> <p>4. The Board of Directors shall specify the competencies and responsibilities of the Chairman and Vice-Chairman of the Board of Directors in a clear and written manner if the Company's Articles of Association are not thereof.</p> <p>5. In all cases, no person may have the absolute decision-making power in the company.</p> <p>B) Responsibilities of the Board of Directors:</p> <p>1. The Board of Directors shall be responsible to shareholders,</p>	<p>7. Where applicable, the means relied upon by the Board of Directors in evaluating its performance, the performance of its committees and members, the external party that conducted the evaluation, and its relationship with the company, if any.</p> <p>8. Disclosure of remuneration of members of the Board of Directors and executive management.</p> <p>9. Any fine, penalty, precautionary measure, or precautionary restriction imposed on the Company by the Authority or any supervisory, regulatory or judicial body, with a statement of reasons for the violation, the party that signed the same, and the means of addressing it and avoiding its occurrence in the future.</p> <p>10. The results of the annual review of the effectiveness of the internal control procedures applied within the Company, in addition to the Audit Committee's opinion on the adequacy of the Company's internal control system.</p> <p>11. The Audit Committee's recommendation to appoint an internal auditor in the Company in case it recommended his appointment during the last fiscal year.</p> <p>12. The Audit Committee's recommendations that are at variance with the Board of Directors' decisions or that the Board refused to adopt as to the appointment of the company's auditor,</p>
---	--



<p>regulators, supervisors and other stakeholders.</p> <p>2. Subject to the competences of the General Assembly, the Board of Directors of the Company shall assume all the powers and authorities necessary for its management, and the final responsibility for the Company shall remain on the Board even if it forms committees or delegates other bodies or individuals to carry out some of its work, and the Board shall avoid issuing general or indefinite mandates.</p> <p>3. The responsibilities of the Board of Directors are clearly defined in the Company's Articles of Association.</p> <p>4. The Board of Directors shall perform its duties responsibly, in good faith, seriousness and attention, and its decisions shall be based on adequate information from the executive management, or any other reliable source.</p> <p>5. A member of the Board of Directors shall represent all shareholders, and he shall commit to doing what is in the interest of</p>	<p>his dismissal, determining his fees, evaluating his performance, or appointing the internal auditor, the justifications for such recommendations, and the reasons for not adopting them.</p> <p>13. Details of the Company's social contribution, if any.</p> <p>14. A statement of the dates of the shareholders' general assemblies held during the last fiscal year and the names of the Board members attending these assemblies.</p> <p>15. A description of the Company's main types of activity and its subsidiaries; if two or more types of activity are described, a statement of each activity and their impact on the Company's business volume and contribution to the results shall be attached.</p> <p>16. A description of the Company's important plans and decisions, including structural changes to the Company, expansion of its business, or cessation of its operations and future business expectations.</p> <p>17. Information about any risks encountering the Company, whether such risks are operational, financial, or market risks, and the policy for managing and monitoring such risks.</p> <p>18. A summary in a tabular or graphical form of the Company's assets and liabilities and the</p>
--	---

<p>the company in general and not what achieves the interests of the group he represents or that voted to appoint him to the Board of Directors.</p> <p>6. The Board of Directors shall determine the powers delegated to the Executive Management.</p> <p>7. The Board of Directors shall ensure that procedures are established to familiarize the new members of the Board with the work of the Company, especially the financial and legal aspects, as well as their training if necessary.</p> <p>8- The Board of Directors shall ensure that the Company provides adequate information about its affairs to all members of the Board of Directors in general and to non-executive members of the Board of Directors in particular, in order to enable them to carry out their duties and tasks efficiently.</p> <p>9. The Board of Directors is responsible for ensuring an appropriate level of transparency and timely disclosure of events that may adversely affect the Company's</p>	<p>result of its operations for the last five fiscal years or since its incorporation, whichever is shorter.</p> <p>19. Geographical analysis of the total revenues of the Company and its subsidiaries.</p> <p>20. A clarification of any significant differences in operating results in contrast with the results of the previous year or any forecasts announced by the Company.</p> <p>21. A clarification of any deviation from the accounting standards approved by the Saudi Organization for Auditors and Accountants.</p> <p>22. Name of each subsidiary, its capital, the parent company's shareholding in it, its principal activity, the country where its principal operations are conducted, and the country where it is incorporated.</p> <p>23. Details of the issued shares and debt instruments of each subsidiary.</p> <p>24. A description of the Company's dividend distribution policy.</p> <p>25. A description of any interest in a class of shares with voting rights belonging to individuals except the Company's board members, senior executives, and their relatives who have notified the Company of such rights pursuant to Article 85 of the Rules on the Offer of Securities and</p>
---	---

<p>financial position, financial performance, risks and governance.</p> <p>c) Prohibition of transactions of members of the Board of Directors and senior executives</p> <p>Members of the Board of Directors, senior executives or any person related to any of them may not deal in any securities of the Company during the following periods:</p> <ol style="list-style-type: none"> <li>1. During the (15) calendar days preceding the end of the fiscal quarter until the date of announcing and publishing the interim financial statements after examining them to the company.</li> <li>2. During the (30) calendar days preceding the end of the fiscal year until the date of announcing the company's annual financial statements .</li> </ol> <p>d) Conflict of Interest in the Board of Directors:</p> <p>A member of the Board of Directors may not, without a license from the General Assembly, have any interest (directly or indirectly) in</p>	<p>Continuing Obligations and any changes to such rights during the last fiscal year.</p> <p>26. A description of any interest, contractual securities, and subscription rights of the Company's board members, senior executives, and their relatives to the shares or debt instruments of the Company or any of its subsidiaries and any change in that interest or such rights during the last fiscal year.</p> <p>27. Information about any loans to the Company, whether repayable on demand or otherwise, and a statement of the total indebtedness of the Company and its subsidiary and any amounts paid by the Company in repayment of the loans during the year, the principal amount of the loan, the name of the granting entity, its term, and the outstanding balance. In the event that the Company has no loans, it shall provide a declaration to that effect.</p> <p>28. A description of the classes and numbers of any convertible debt instrument and any contractual securities, subscription rights memorandum, or similar rights issued or granted by the Company during the fiscal year, with clarification of any compensation the company obtained therefor.</p> <p>29. A description of any convertible or subscription rights under convertible debt instrument, any contractual securities,</p>
--	---

<p>the business and contracts concluded for the company's account in accordance with the controls set by the competent authority.</p> <p>B- A member of the Board of Directors shall notify the Board of Directors of any personal interest he has in the company's business and contracts, provided that such notice shall be documented in the minutes of the meeting of the Board of Directors, and the Chairman of the Board of Directors shall notify the General Assembly when it is held of the member's interest in such business or contracts, provided that such notice shall be accompanied by a report from the external auditor.</p> <p>A member of the Board of Directors may not, without a license from the General Assembly, participate in any business that would compete with the company, or trade in one of the branches of the activity it carries out.</p> <p>d) The company may not provide a cash loan of any kind to the members of its board of directors or</p>	<p>Subscription rights memorandum, or similar rights issued or granted by the Company.</p> <p>30. A description of any redemption, purchase, or cancellation by the Company of any redeemable debt instruments, and the value of the remaining securities, distinguishing between listed securities purchased by the Company and those purchased by its subsidiaries.</p> <p>31. The number of the Board of Directors' meetings held during the last fiscal year, their dates, and the attendance record for each meeting, with clarification of the names of attendees.</p> <p>32. The numbers of the Company's requests for the shareholders' register, the dates of such requests, and their reason.</p> <p>33. A description of any transaction between the Company and a relevant party.</p> <p>34. Information relating to any business or contracts involving the Company as a party, and where a member of the Company's Board of Directors or a senior executive has an interest, or any person related to any thereof, including the names of those concerned with business or contracts, the nature of such business or contracts and their terms, durations, and values. If there are no such businesses or contracts, the</p>
--	--

<p>guarantee any loan concluded by one of them with third parties.</p> <p>19 Liability for fraud and negligence:</p> <p>The members of the Board of Directors shall be jointly liable for compensating the company, the shareholders or third parties for the damage resulting from their mismanagement of the company's affairs or their violation of the provisions of this Law or the provisions of the Company's Articles of Incorporation and any condition to the contrary shall be deemed null and void.</p> <p>20 Supervising the Executive Management:</p> <p>The Board of Directors shall form the executive management of the Company, organize its work, control and supervise it, and verify the performance of the tasks entrusted to it, and for this purpose:</p> <p>Develop the necessary administrative and financial policies. .1</p>	<p>Company shall submit a declaration to that effect.</p> <p>35. A statement of any arrangements or agreements under which a member of the Company's Board of Directors or any senior executive has waived any remuneration.</p> <p>36. A statement of any arrangements or agreements under which a shareholder of the Company has waived any rights to profit.</p> <p>37. A statement of the regulatory payments made and due for settlement of any zakat, taxes, fees, or any other outstanding obligations that have not been paid by the end of the annual financial period, along with a brief description thereof and an explanation of the reasons therefor.</p> <p>38. A statement of the value of any investments or reserves established for the benefit of the company's employees.</p> <p>39. Declarations of the following:</p> <p>A) The accounting records have been properly prepared.</p> <p>B) The internal control system has been properly designed and effectively implemented.</p> <p>C) There is no significant doubt regarding the company's ability to continue its business.</p> <p>40. If the auditor's report includes reservations regarding the annual financial statements, the</p>
--	--

<p>Ensure that the executive management is working in accordance with the policies approved by it. .2</p> <p>Selecting and appointing the CEO of the company, and supervising his work. .3</p> <p>Appointing the director of the internal audit unit or department or the internal auditor, dismissing him and determining his remuneration, if any. .4</p> <p>Holding periodic meetings with the executive management to discuss the course of work and the obstacles and problems it faces, and to review and discuss important information regarding the company's activity. .5</p> <p>Setting performance standards for executive management that are consistent with the company's objectives and strategy. .6</p> <p>Review and evaluate the performance of the executive management. .7</p> <p>Develop succession plans for the company's management. 8.</p>	<p>Board of Directors' report must clarify those reservations, their reasons, and any related information.</p> <p>41. In the event that the Board of Directors recommends changing the auditor prior to the end of the specified term, the report shall include this recommendation along with a statement of the reasons for the proposed change.</p> <p>42. Information regarding any business activities that compete with the company or any of its lines of business, whether currently or previously conducted by any member of the Board of Directors, including the names of the concerned individuals, the nature and terms of such activities. If no such competing activities exist, the company shall provide a declaration to that effect.</p> <p><b>Article 41: Formation of Committees</b></p> <p>1. The Board of Directors shall form an appropriate number of committees as per the company's needs and conditions, to enable the Board to perform its duties effectively. This shall be in accordance with general procedures established by the Board, which include defining the committees' task, duration of their work, the powers delegated thereto during such period, and how the Board will oversee same. Such</p>
---	---

<p>1- Formation of committees:</p> <p>Subject to Article One Hundred and First of the Companies Law and Article Fifty-Four of the Authority's Governance, the Board of Directors shall form specialized committees in accordance with the following:</p> <p>The company's need, circumstances and conditions enable it to perform its duties effectively.</p> <p>The formation of committees shall be in accordance with general procedures set by the Board, including determining the mission of each committee, the duration of its work, the powers vested in it during this period, and the manner in which the Board of Directors oversees them.</p> <p>Each committee shall be responsible for its work before the Board of Directors, without prejudice to the responsibility of the Board for such acts and the powers or authorities delegated to it.</p>	<p>committees shall transparently report to the Board on their activities, findings, or decisions. The Board shall regularly monitor the work of such committees to verify their execution of assigned tasks and review the minutes of their meetings and the recommendations thereof.</p> <p>2. Each committee is accountable for its work to the Board of Directors, without prejudice to the Board's responsibility for such work and for the powers or authorities it has delegated to the committee.</p> <p>3. The number of members of each committee shall not be less than three and shall not exceed five.</p> <p>4. The chairpersons of the committees, or their designated representatives from the committee members, shall attend the general assemblies to answer shareholders' questions.</p> <p>5. The Company shall notify the Authority of the names of the committee members and their membership status within five business days from the date of their appointment and of any changes thereto within five business days from the date the changes occur.</p> <p>6. The company may merge the Remuneration Committee and the Nomination</p>
---	--

<p>The number of committee members shall not be less than three and not more than five.</p> <p>The chairmen of the committees or their members must attend the general assemblies to answer the shareholders' questions.</p> <p>The company shall notify the Authority of the names of the members of the committees and their membership within five working days from the date of their appointment and any changes thereto within five working days from the date of the changes.</p> <p>The company may merge the Remuneration and Nomination Committees into one committee called the Remuneration and Nomination Committee. In this case, the Remuneration and Nomination Committee must meet the requirements for both.</p> <p>2 . Membership of Committees:</p> <p>A sufficient number of non-executive directors shall be appointed to the committees concerned with tasks that may give rise to conflicts of interest.</p>	<p>Committee into a single committee called the Remuneration and Nomination Committee. In such case, the Remuneration and Nomination Committee shall meet the specific requirements of each of the former committees and shall meet periodically at least every six months.</p> <p><b>Article 42: Committee Membership</b></p> <p>1. A sufficient number of non-executive Board members shall be appointed to committees concerned with tasks that may give rise to conflicts of interest, such as ensuring the integrity of financial and non-financial reports, reviewing related party transactions, nominating board members, appointing senior executives, and determining remuneration. The chairpersons and members of such committees shall exercise their duties of care, loyalty, and due regard for the interests of the Company and its shareholders, prioritizing same over their personal interests.</p> <p>2. When forming the Remuneration and Nomination Committees, the Company shall ensure that their members are independent Board Members. Non-executive members or individuals who are not Board Members, whether shareholders or otherwise, may be utilized, provided that the chairpersons of such two committees are independent members.</p> <p>3. The chairman of the Board of Directors may not be a member of the Audit Committee but may be a member of other committees,</p>
--	--



<p>When forming the remuneration and nomination committees, the company shall take into account that its members shall be independent members of the Board of Directors, and non-executive members or persons other than members of the Board, whether they are shareholders or others, provided that the chairmen of the two committees referred to in this paragraph shall be independent members.</p> <p>The Chairman of the Board of Directors may not be a member of the Audit Committee.</p> <p>3 Committee Meetings:</p> <p>No member of the Board of Directors or the executive management except the Secretary of the Committee and members of the committees shall be entitled to attend its meetings unless the Committee requests to hear his opinion or obtain his advice.</p> <p>The validity of the meetings of the committees shall require the attendance of the majority of their members, and their decisions shall be issued by a majority of the votes</p>	<p>provided that they do not hold the position of chairman of the Audit, Risk, or Remuneration and Nomination Committees.</p> <p><b>Article 43: Review of Matters</b></p> <p>1. Committees shall study the matters within their powers or those referred thereto by the Board of Directors. Such committees shall submit their recommendations to the Board for decision-making, or make decisions if authorized to do so by the Board, taking into account that the Company's Board of Directors shall bear responsibility for its actions.</p> <p>2. Committees may seek assistance from experts and specialists within or outside the company within their authorized powers, provided that this shall be documented in the committee meeting minutes, along with the expert's name and their relationship with the Company or the Executive/Senior Management.</p> <p><b>Article 44: Committees Meetings</b></p> <p>1. No member of the Board of Directors or the Executive Management, other than the Committee Secretary and Committee members, shall be entitled to attend its meetings unless the Committee requests their opinion or advice.</p> <p>2. Committee meetings shall be valid only if attended by a majority of its members. Decisions shall be made by a majority vote of those present. In case of a tie, the side with which the meeting chairman voted shall prevail.</p>
---	---

<p>of those present, and in the event of equality of votes, the side with which the chairman of the meeting voted shall prevail.</p> <p>The meetings of the Committee shall be documented and minutes shall be prepared that include the discussions and deliberations that took place, and the recommendations of the committees and the results of the voting shall be documented, and kept in a special and organized register.</p> <p>4- Committees emanating from the Board of Directors:</p> <p>In order to be able to cover all parties and the company's business, five pop-up committees have been formed:</p> <ul style="list-style-type: none"><li>o Executive Committee</li><li>o Nomination and Remuneration Committee</li><li>o Investment Committee</li><li>o Audit Committee</li><li>o Risk Management Committee</li></ul>	<p>3. Committee meetings shall be documented, and minutes shall be prepared, including discussions and deliberations, committee recommendations, and voting results. Such minutes shall be kept in a special, organized register, listing the names of the members present and their reservations, if any. Such minutes shall be signed by all members present.</p> <p><b>Article 45: Internal Control System</b></p> <p>1. The Board of Directors shall adopt an internal control system for the company to evaluate policies and procedures related to risk management and the application of the company's corporate governance regulations, and to comply with relevant laws and regulations. Such system shall ensure that clear standards of accountability are followed at all executive levels within the company and that related party transactions are conducted in accordance with its specific provisions and controls.</p> <p>2. To apply the approved internal control system, the company shall establish units or departments for risk assessment and management, and internal audit. The company may engage third parties to perform the tasks and responsibilities of the risk assessment and management, and internal audit units or departments, without prejudice to the company's responsibility for such tasks and responsibilities.</p> <p><b>Article 46: Risk Management Department and Its Responsibilities</b></p>
--	--

<p>The Board of Directors approves the policies and procedures of all the above committees and defines their functions, scope of work, energy and duties, and a mechanism through which the Board can monitor all the activities of the Company.</p> <p>The committees have the right to seek the advice of experts from outside the company if necessary to carry out their work, and the cost of experts is the responsibility of the company, after obtaining the approval of the Board.</p> <p>The commissions are detailed as appendices in this document.</p> <p>Competencies and tasks of the Executive Management:</p> <p>Subject to the competencies prescribed for the Board of Directors under the provisions of the Companies Law and its Implementing Regulations, the Executive Management shall be responsible for implementing the main plans, policies, strategies and objectives of the Company in order to achieve its objectives. The</p>	<ol style="list-style-type: none"> <li>1. The risk management function shall identify, assess, measure, control, and continuously monitor and mitigate risk at both individual and aggregate risk levels. It shall perform its responsibilities in accordance with the Risk Management Regulations issued by the Insurance Authority and any regulatory or supervisory requirements issued by the Insurance Authority.</li> <li>2. Without prejudice to any other regulatory or supervisory requirements, the responsibilities of the risk management function shall include, but not be limited to, the following: <ol style="list-style-type: none"> <li>a) Implementing the risk management strategy.</li> <li>b) Monitoring the risks to which the company may be exposed.</li> <li>c) Establishing effective risk management policies and procedures to identify, assess, measure, control, monitor, and mitigate risks.</li> <li>d) Identifying emerging risks and proposing corrective actions to mitigate and control same.</li> <li>e) Periodically assessing the company's risk appetite and its level of risk exposure.</li> <li>f) Developing a contingency plan.</li> <li>g) Coordinating with senior management to ensure the effectiveness and efficiency of the company's risk management system.</li> </ol> </li> <li>3. The risk management function shall be independent of the underwriting function.</li> </ol>
---	--

<p>following shall be included in the terms of reference and functions of the Executive Department:</p> <p>Implement the internal policies and regulations of the company approved by the Board of Directors.</p> <p>.1</p> <p>Proposing and implementing the company's comprehensive strategy, master and interim business plans, investment policies and mechanisms, financing, risk management, and emergency administrative conditions management plans. .2</p> <p>Proposing the optimal capital structure of the company, its strategies and financial objectives.</p> <p>.3</p> <p>Proposing the company's main capital expenditures and owning and disposing of assets. .4</p> <p>Proposing the organizational and functional structures of the company and submitting them to the Board of Directors for consideration of their approval</p> <p>.5</p>	<p>4. The number of employees in the risk management function and their level of knowledge and experience shall be commensurate with the size, nature, and complexity of the company's operations. The company shall appoint a minimum of a risk management officer for general and health insurance and another for protection and savings insurance.</p> <p>5. The risk management function may report to the Chief Executive Officer or any other executive. The Risk Management Director shall have direct and unimpeded communication with the Risk Management Committee.</p> <p><b>Article 47: Internal Audit</b></p> <p>1. The Internal Audit Unit or Department is an independent department that reports to the Audit Committee and administratively to the Chief Executive Officer. It is responsible for evaluating the internal control system and overseeing its implementation, as well as verifying the company's and its employees' compliance with applicable laws, regulations, instructions, and the company's policies and procedures. It also assesses the effectiveness and efficiency of internal controls, policies, procedures, and the company's reporting mechanism, the extent of compliance therewith, and submits recommendations for improvement. The internal audit unit or department operates according to a comprehensive audit plan approved by the Audit Committee and updated annually. Key activities and</p>
--	--

<p>Implementation and general supervision of internal control systems and controls, including:</p> <p>.6</p> <p>A- Implementation of the conflict of interest policy.</p> <p>Proper application of financial and accounting systems, including those related to the preparation of financial reports.</p> <p>C- Applying appropriate control systems to measure and manage risks.</p> <p>Implement the company's corporate governance rules effectively – in a manner that does not conflict with the provisions of these Bylaws – and propose amendments when needed. .7</p> <p>Implement policies and procedures that ensure the company's compliance with the laws and regulations and its commitment to disclose material information to shareholders and stakeholders.</p> <p>8.</p>	<p>operations, including those related to risk management and compliance management, shall be audited at least annually.</p> <p>2. The internal audit unit or department shall consist of at least one internal auditor recommended for appointment by the Audit Committee and accountable thereto. The following shall be taken into account in the formation and operation of the internal audit unit or department:</p> <p>a) Its employees shall be competent, independent, and appropriately trained, and shall not be assigned any other tasks that conflict with the objectives of internal audit or compromise its independence.</p> <p>b) The unit or department shall report to the Audit Committee, to which it shall report and be accountable.</p> <p>c) The remuneration of the head of the Internal Audit Unit or Department shall be determined based on the Audit Committee's proposal in accordance with the company's policies.</p> <p>d) It shall be enabled to access and obtain information, records, and documents without restriction.</p> <p>e) The Board shall take the necessary measures to ensure that senior management responds to the inquiries and recommendations of the internal auditors.</p>
---	---

<p>Provide the Board of Directors with the necessary information to exercise its powers and make recommendations on the following:</p> <p>.9</p> <p>Increase or decrease the company's capital.</p> <p>Dissolution of the company before the period specified in its articles of association or the determination of its continuation.</p> <p>C- Use of the company's contractual reserve.</p> <p>Formation of additional reserves for the company.</p> <p>The method of distributing the company's net profits.</p> <p>10. Propose the policy and types of remuneration granted to employees, such as fixed bonuses, performance-related bonuses, and bonuses in the form of shares.</p> <p>11. Prepare periodic financial and non-financial reports on the progress of the Company's activities in light of the Company's strategic plans and objectives, and present such reports to the Board of Directors.</p>	<p><b>Article 48: Internal Audit Report</b></p> <p>a) The internal audit unit or department shall prepare a written report on its activities and submit same to the Board of Directors and the Audit Committee at least on a quarterly basis. Such report shall include an assessment of the company's internal control system, the unit's or department's findings and recommendations, and a statement of the actions taken by each department regarding the handling of previous audit findings and recommendations, along with any observations thereon, particularly in cases of non-treatment within a reasonable timeframe and the reasons thereof.</p> <p>b) The internal audit unit or department shall prepare a comprehensive written report and submit same to the Board of Directors and the Audit Committee on the audit operations conducted during the fiscal year and comparing same with the approved plan. It shall indicate the reasons for any breach or deviation from the plan – if any – during the quarter following the end of the relevant fiscal year.</p> <p>c) The Board of Directors shall determine the scope of the internal audit unit or department's report based on the recommendation of the Audit Committee and the internal audit unit or department, provided that the report specifically includes the following:</p> <ol style="list-style-type: none"> <li>1. Control and oversight procedures for financial affairs, investments, and risk management.</li> </ol>
---	--

<p>12. Managing the daily work of the company and conducting its activities, as well as managing its resources optimally and in accordance with the company's objectives and strategy.</p> <p>13. Active participation in building and developing a culture of ethical values within the company.</p> <p>14. Implement internal control and risk management systems, and verify the effectiveness and adequacy of such systems</p> <p>15. Proposing and developing internal policies related to the company's work, including defining the tasks, competencies and responsibilities entrusted to the different organizational levels.</p> <p>16. Propose a clear policy for delegating work to it and the method of its implementation.</p> <p>17. Proposing the powers delegated to it, the decision-making procedures and the duration of the delegation, provided that periodic reports on the exercise of those powers shall be submitted to the Board of Directors.</p>	<p>2. Evaluating the development of risk factors in the company and the existing systems to address radical or unexpected changes.</p> <p>3. Evaluating the performance of the Board of Directors and senior management in implementing the internal control system, including the number of times the board was notified of control matters, including risk management, and the manner in which it addressed such matters.</p> <p>4. Failures or weaknesses in the implementation of internal control,, or emergencies that affected or may affect the company's financial performance, and the procedure adopted by the company in addressing such failures, particularly those issues disclosed in the company's annual reports and financial statements.</p> <p>5. The extent of the company's adherence to internal control systems when identifying and managing risks.</p> <p>6. Information describing the company's risk management processes.</p> <p>d) The company shall maintain audit reports and working documents that clearly include the accomplishments, findings, recommendations, and actions taken.</p> <p><b>Article 49: Compliance Department</b></p> <p>It is an independent department that reports technically to the Audit Committee and</p>
--	---

<p>1- Training:</p> <p>The company shall pay sufficient attention to the training and qualification of the members of the Board of Directors and the executive management, and develop the necessary programs for this, taking into account the following:</p> <p>Preparing programs for the newly appointed members of the Board of Directors and executive management to introduce the company's work and activities, in particular the following:</p> <ol style="list-style-type: none"><li>1. The Company's Strategy and Objectives.</li><li>2. Financial and operational aspects of the Company's activities.</li><li>3. Obligations, duties, responsibilities and rights of the members of the Board of Directors.</li><li>4. Tasks and terms of reference of the company's committees.</li></ol> <p>B- Develop the necessary mechanisms for both the members of the Board of Directors and the executive management to obtain training programs and courses on</p>	<p>administratively to the Chief Executive Officer. The compliance function is responsible for monitoring the company's adherence to all relevant laws, regulations, and instructions issued by the Insurance Authority or other relevant regulatory bodies and for taking the necessary measures to improve the level of regulatory compliance within the company. It reports any violations of laws and instructions within the company to the Audit Committee.</p> <p><b>Article 50: General Provisions</b></p> <ol style="list-style-type: none"><li>1. Senior management shall be responsible for overseeing the company's daily activities.</li><li>2. Each senior management position shall have a documented and detailed job description that specifies roles, responsibilities, qualifications, reporting lines (hierarchy), interaction mechanisms with other internal departments, authorities, and the limits of such authorities.</li><li>3. Senior management members shall have the necessary skills and required experience to ensure the management of the company's activities.</li><li>4. Senior management shall provide the Board of Directors with a comprehensive presentation on management performance during each Board meeting, at least.</li><li>5. Priority in senior management positions shall be given to Saudis. In case of a need to appoint a non-Saudi, the company shall prove the unavailability</li></ol>
---	---



<p>an ongoing basis in order to develop their skills and knowledge in areas related to the company's activities.</p> <p>2- Providing members with information:</p> <p>The Company's Executive Management shall provide the members of the Board of Directors, the non-executive members in particular and the Company's committees with all necessary information, data, documents and records, provided that they are complete, clear, correct, non-misleading and timely to enable them to perform their duties and tasks.</p> <p>3 Rating:</p> <p>The Board of Directors, upon the proposal of the Nomination and Remuneration Committee, shall establish the necessary mechanisms to evaluate the performance of the Board, its members, committees and executive management annually through appropriate performance measurement indicators related to the extent to which the company's strategic</p>	<p>of a qualified Saudi national for the required position based on the recruitment requirements for leadership positions issued by the Insurance Authority.</p> <p><b>Article 51: Powers of Executive Management</b></p> <p>Subject to the powers vested in the Board of Directors under the provisions of the Companies Law and its executive regulations, and without prejudice to any other regulatory or supervisory requirements, the Executive Management shall be responsible for implementing the company's main plans, policies, strategies, and objectives in a manner that achieves its purposes. The Executive Management's responsibilities and tasks shall include the following:</p> <ol style="list-style-type: none"><li>1. Implementing the company's strategic plans and internal policies and regulations approved by the Board of Directors.</li><li>2. Proposing the company's overall strategy, main and interim work plans, investment policies and mechanisms, financing, risk management, and administrative emergency management plans, and implementing same.</li><li>3. Proposing the optimal capital structure for the company and its financial strategies and objectives.</li><li>4. Proposing the company's major capital expenditures and the acquisition and disposal of assets.</li></ol>
---	--

<p>objectives have been achieved, the quality of risk management, the adequacy of internal control systems, and others, provided that the strengths and weaknesses are identified and proposed to address them in accordance with the company's interest.</p> <p>Performance appraisal procedures must be written and clear and disclosed to the members of the Board of Directors and the persons concerned with the evaluation.</p> <p>C - The performance evaluation should include the skills and experience possessed by the Council, and identify its weaknesses and strengths, while working to address the weaknesses in possible ways .</p> <p>d. The individual evaluation of the members of the Board of Directors shall take into account the extent of the member's effective participation and commitment to the performance of his duties and responsibilities, including attending the meetings of the Board and its committees and allocating the necessary time to them.</p>	<p>5. Proposing the company's organizational and functional structures and submitting same to the Board of Directors for consideration and approval.</p> <p>6. Implementing and generally overseeing internal control systems and regulations, including:</p> <p>a) Implementing the conflict of interest policy.</p> <p>b) Applying sound financial and accounting systems, including those related to the preparation of financial reports.</p> <p>c) Implementing appropriate control systems to measure and manage risks by developing a general overview of the risks that the company may face, creating an environment aware of the culture of risk reduction at the company level, and presenting same transparently to the Board of Directors and other stakeholders.</p> <p>7. Effectively implementing the company's Corporate Governance Regulations – without prejudice to the provisions of the Supervisory Authorities' Regulations – and proposing the amendment of same when necessary.</p> <p>8. Implementing policies and procedures that ensure the company's compliance with laws and regulations and its commitment to disclosing material information to shareholders and stakeholders.</p> <p>9. Providing the Board of Directors with the necessary information to exercise its powers and</p>
--	---

<p>The Board of Directors shall make the necessary arrangements to obtain an evaluation of its performance every three years by a competent external body.</p> <p>The non-executive members of the Board of Directors shall conduct a periodic evaluation of the performance of the Chairman of the Board after taking the views of the executive members without the Chairman of the Board attending the discussion designated for this purpose, provided that the strengths and weaknesses are identified and proposed to address them in accordance with the interest of the Company.</p> <p>1- Internal Control System:</p> <p>The Board of Directors shall adopt an internal control system for the Company to evaluate the policies and procedures related to risk management, apply the provisions of the Company's corporate governance rules adopted by the Company, and comply with the relevant laws and regulations, and this system shall ensure that clear standards of responsibility are followed at all executive levels of</p>	<p>submitting its recommendations regarding the following:</p> <ul style="list-style-type: none"><li>a) Increasing or decreasing the company's capital.</li><li>b) Dissolving the company before the term specified in its Articles of Association or deciding on its continuation.</li><li>c) Using the company's reserves if they are not allocated for a specific purpose in the company's Articles of Association.</li><li>d) Forming additional reserves for the company.</li><li>e) The method of distributing the company's net profits.</li></ul> <p>10. Proposing the policy and types of remuneration granted to employees, such as fixed salaries, performance-based bonuses, and stock options.</p> <p>11. Preparing periodic financial and non-financial reports on the progress made in the company's activities in light of the company's strategic plans and objectives, and presenting such reports to the Board of Directors.</p> <p>12. Managing the company's daily operations and conducting its activities, as well as managing its resources optimally and in accordance with the company's objectives and strategy.</p> <p>13. Actively participating in building and developing a culture of ethical values within the company.</p> <p>14. Implementing internal control and risk management systems, verifying the effectiveness and</p>
--	--

<p>the Company and that related party transactions are conducted in accordance with their own provisions and controls.</p> <p>2 Regulatory Control and Compliance Management:</p> <p>a) An independent department technically linked to the audit committee and administratively to the chief executive.</p> <p>b) The compliance control function is responsible for monitoring the company's compliance with all relevant laws, regulations and instructions issued by the Saudi Arabian Monetary Agency or other relevant regulatory authorities and taking the necessary measures to improve the level of regulatory compliance with the company.</p> <p>c) The statutory controller or compliance officer shall be appointed after obtaining the written approval of the Saudi Arabian Monetary Agency.</p> <p>3 Internal Auditor:</p> <p>It is an independent department linked to the Audit Committee and administratively to the Chief Executive Officer to evaluate the</p>	<p>adequacy thereof, and ensuring adherence to the level of risk approved by the Board of Directors.</p> <p>15. Proposing and developing internal policies related to the company's business, including defining the tasks, powers, and responsibilities assigned to different organizational levels.</p> <p>16. Proposing a clear policy for delegating tasks thereto and the method of their implementation.</p> <p>17. Proposing the powers delegated thereto, decision-making procedures, and the duration of the delegation, provided that periodic reports on its exercise of such powers are submitted to the board of directors.</p> <p>18. Providing members of the Board of Directors – and non-executive members in particular – and the company's committees with all the necessary information, data, documents, and records to enable them to perform their tasks and responsibilities.</p> <p><b>Article 52: Oversight of Executive Management</b></p> <p>The Board of Directors shall be responsible for forming the company's executive management, organizing its operations, overseeing and supervising same and verifying its performance of the tasks entrusted thereto. To this end, the Board shall:</p> <p>1. Establish the necessary administrative and financial policies.</p> <p>2. Verify that the executive management operates in accordance with the policies approved by the board.</p>
--	---

<p>internal control system, supervise its application, and verify the extent to which the company and its employees comply with the applicable laws, regulations, instructions, and the company's policies and procedures.</p> <p>It works according to a comprehensive audit plan approved by the Audit Committee and this plan is updated annually .Key activities and processes, including risk management and compliance management activities, should be reviewed at least annually.</p> <p>In the composition and functioning of the Internal Audit Department, the following shall be taken into account:</p> <p>a) Its employees shall have competence, independence and appropriate training, and shall not be entrusted with any work other than internal audit and the internal control system;</p> <p>(b) The unit or department shall report to the Audit Committee, be associated with it and be accountable to it.</p>	<p>3. Select and appoint the company's Chief Executive Officer and oversee their work.</p> <p>4. Appoint and dismiss the head of the Internal Audit Unit or Department or the internal auditor and determine their remuneration.</p> <p>5. Hold periodic meetings with the executive management to discuss the progress of work and any obstacles or problems encountered, and to review and discuss important information regarding the company's activities.</p> <p>6. Establish performance standards for the executive management that are consistent with the company's objectives and strategy.</p> <p>7. Review and evaluate the performance of the executive management.</p> <p>8. Develop succession plans for the company's management.</p> <p><b>Article 53: Appointment and Responsibilities of the External Auditor</b></p> <p>a) The company shall entrust the audit of its annual accounts to an auditor who is independent, competent, experienced, and qualified to prepare an objective and independent report for the Board of Directors and shareholders, stating whether the company's financial statements clearly and fairly represent the company's financial position and performance in all material respects.</p>
---	--

<p>c) The remuneration of the director of the audit unit or department shall be determined upon the proposal of the audit committee in accordance with the company' s policies.</p> <p>d) Enable unrestricted access to information, documents and documents</p> <p>4 Internal Audit Report:</p> <p>The Internal Audit Unit or Department shall prepare a written report on its work and submit it to the Board of Directors and the Audit Committee on a quarterly basis at least. This report shall include an assessment of the company's internal control system, management's findings and recommendations, and a statement of the actions taken by each department regarding the processing of the findings and recommendations of the previous audit and any observations thereon, especially in the event of lack of timely treatment and the reasons for this.</p> <p>b) The Internal Audit Department shall prepare a written public report and submit it to the Board of</p>	<p>b) The Ordinary General Assembly shall appoint the company's auditor based on the nomination of the Board of Directors, taking the following into account:</p> <ol style="list-style-type: none"> <li>1. Such nomination shall be based on a recommendation from the Audit Committee.</li> <li>2. Such auditor shall be licensed and meet the conditions stipulated by the competent authority.</li> <li>3. Its interests shall not conflict with the company's interests.</li> <li>4. The number of nominees shall not be less than two auditors.</li> <li>5. The Ordinary General Assembly in the insurance or reinsurance company shall annually appoint two audit firms from among the legal accountants licensed to practice in the Kingdom and determine their fees.</li> </ol> <p>c) The auditor shall:</p> <ol style="list-style-type: none"> <li>1. Exercise the responsibilities of care and fidelity towards the company.</li> <li>2. Inform the Authority if the Board of Directors shall not take appropriate action regarding suspicious matters raised by the auditor.</li> <li>3. Request the Board of Directors to convene the Ordinary General Assembly if the board obstructs their work. The auditor shall be liable for compensating the damage suffered by the company, shareholders, or third parties due to errors committed thereby in the performance of their work. If there are</li> </ol>
---	---

<p>Directors and the Audit Committee on audits conducted during the financial year and compare them with the approved plan.</p> <p>The Board of Directors shall determine the scope of the report of the Internal Audit Unit or Department upon the recommendation of the Audit Committee and the Internal Audit Department, provided that the report shall include, in particular, the following:</p> <ol style="list-style-type: none"> <li>1. Control and supervision procedures for financial affairs, investments and risk management.</li> <li>2. Assess the evolution of risk factors in the company and the systems in place to face radical changes</li> <li>3- Evaluating the performance of the Board of Directors and senior management in applying the internal control system.</li> <li>4. Failures in the application of internal control or weaknesses in its application.</li> <li>5. The extent to which the company adheres to internal control systems</li> </ol>	<p>multiple auditors who jointly commit an error, they shall be jointly liable.</p> <ol style="list-style-type: none"> <li>4. The auditors shall include in their annual report submitted to the General Assembly – in addition to the data stipulated in the Companies Law – their opinion on whether the company's financial statements fairly present the true picture of its financial position at the balance sheet date and the results of its business for the ended fiscal year.</li> <li>5. The financial statements and the auditors' report thereon shall be published within three months from the date of the end of the company's fiscal year.</li> </ol> <p><b>Article 54: Role and Responsibilities of the Appointed Actuary</b></p> <ol style="list-style-type: none"> <li>a) The company shall appoint a qualified actuary holding an associate degree, or engage the services of an actuary after obtaining written approval from the Insurance Authority. The tasks assigned to such actuary include the following: <ol style="list-style-type: none"> <li>1. Obtaining the required information and data from the previous actuary.</li> <li>2. Reviewing the company's financial position.</li> <li>3. Evaluating the company's ability to meet its future financial obligations.</li> <li>4. Determining retention ratios.</li> <li>5. Pricing the company's insurance products.</li> </ol> </li> </ol>
---	--

<p>when identifying and managing risks.</p> <p>6. Information describing the company's risk management processes.</p> <p>5- Risk Management:</p> <p>a) Risk management is responsible for identifying, assessing, following up and controlling the risks facing the company on a permanent and individual level.</p> <p>Risk management duties include:</p> <p>Inculcate a risk management strategy. -1</p> <p>Monitor the company's risk profile. -2</p> <p>Develop effective policies and procedures for managing the company's risks. -3</p> <p>Identify emerging risks and recommend remedial measures to reduce and control them. -4</p> <p>Assess the company's risk exposure regularly. -5</p> <p>Develop an emergency plan. -6</p> <p>Coordinate with senior management in order to ensure the</p>	<p>6. Determining and approving the company's technical provisions.</p> <p>7. Reviewing the company's investment policy and providing recommendations thereon.</p> <p>8. Any other actuarial recommendations.</p> <p>b) The actuary shall be professionally responsible for the advice or services provided to the company. Upon the company's request, the actuary shall provide the company's management with the following:</p> <p>1. Accurate actuarial information and data on the company's current and future financial position.</p> <p>2. An annual report on the adequacy of the company's technical provisions, no later than sixty days from the end of the fiscal year.</p> <p>3. An annual report on the pricing of the company's insurance products, no later than sixty days from the end of the fiscal year.</p> <p>4. An analysis of the company's investment return.</p> <p>5. An analysis of the development of insurance portfolios.</p> <p>6. An analysis of expenditures.</p> <p>7. The extent of asset-liability matching</p> <p>8. Positive and negative developments in the underwriting policy.</p> <p>c) In case the company fails to request the preparation of such studies in a timely manner, the Insurance Authority shall be entitled to appoint an</p>
--	---



<p>effectiveness and efficiency of the risk management system. -7</p> <p>c) The Risk Department performs its duties in accordance with the Risk Management Regulations and any other supervisory or supervisory requirements issued by SAMA.</p> <p>d) Risk management shall operate independently of the underwriting management.</p> <p>e) The Risk Department shall submit its report to the Chief Executive Officer and the Risk Committee and shall have the authority to communicate with the Risk Committee.</p> <p>1 Appointment of the actuary:</p> <p>The company shall appoint an actuary to perform the tasks and duties stipulated in Article Twenty (20) of the Executive Bylaws of the Insurance Control Law in accordance with the requirements of the Regulations for Electronics for Insurance Companies issued by the Saudi Arabian Monetary Agency.</p> <p>2 Responsibilities of an actuary:</p>	<p>actuary at the company's expense to perform the required tasks.</p> <p>d) The actuary's report shall be one of the documents to be reviewed by the external legal accountant, especially when noting any current or future risks to the company. A copy of such report shall be dully provided to the Insurance Authority.</p> <p>e) Upon noting any current or future risks to the company, the actuary shall submit an urgent report thereon to the company's Board of Directors. The Board shall review the report, provide its comments thereon, and submit same to the Insurance Authority within fifteen days of receiving the report.</p> <p><b>Article 55: Training</b></p> <p>The company shall give due attention to the training and qualification of members of the Board of Directors, committee members, and executive management, and shall develop the necessary programs for such purpose, taking the following into account:</p> <p>1. Preparing programs for newly appointed members of the board of directors, committee members, and executive management to familiarize same with the company's operations and activities, particularly the following:</p> <p>a) The company's strategy and objectives.</p> <p>b) The financial and operational aspects of the company's activities.</p>
--	---

<p>a. Obtain all the necessary information from the former responsible actuary.</p> <p>b. Study the financial situation of the company in general.</p> <p>c. Evaluation of the appropriate capital of the company.</p> <p>d. Assess the company's ability to meet its future obligations.</p> <p>e. Pricing of insurance products for the company.</p> <p>and. Determine and approve the technical allocations of the company.</p> <p>g. Coordinate with those responsible for risk management in the company to assess the impact of material risks and the appropriate mechanism for managing them.</p> <p>f. Assess reinsurance agreements and appropriate risk levels to keep.</p> <p>i. Advising the Board of Directors on the appropriate investment policy, taking into account the nature and timing of obligations towards policyholders and the availability of appropriate assets.</p>	<p>c) The obligations, tasks, responsibilities, and rights of Board Members.</p> <p>d) The tasks and responsibilities of the company's committees.</p> <p>2. Developing the necessary mechanisms for members of the Board of Directors, committee members, and executive management to continuously receive training programs and courses aimed at developing their skills and knowledge in areas related to the company's activities.</p> <p><b>Article 56: Retention of Documents</b></p> <p>The company shall maintain all minutes, records, reports, and other documents required to be maintained under the Corporate Governance Regulations issued by the Capital Market Authority at the company's head office for a period of not less than ten years. This shall include the Board of Directors' report and the Audit Committee's report. Without prejudice to such period, in case of any litigation, including any pending or threatened lawsuit, claim, or ongoing investigation procedures related to such minutes, records, reports, or documents, the company shall maintain same until the conclusion of such litigation, claim, or ongoing investigation procedures.</p>
---	---

<p>j. Preparing appropriate reports in accordance with the financial reporting forms approved by the Saudi Arabian Monetary Agency.</p> <p>k. Review the company's underwriting guides</p> <p>for. Advising on any other actuarial matters.</p> <p>1 Policies and procedures related to disclosure:</p> <p>Without prejudice to the Registration and Listing Rules, the Board of Directors shall establish written disclosure policies, procedures and supervisory systems in accordance with the disclosure requirements contained in the Companies Law and the Capital Market Law and their implementing regulations, taking into account the following:</p> <p>Such policies shall include appropriate disclosure methods that enable shareholders and stakeholders to view financial and non-financial information related to the company, its performance and share ownership and to stand in an integrated manner.</p>	<p><b>Annex (A):</b></p> <p><b>Policies and Procedures of the Executive Committee</b></p> <p><b>Article 1: Formation of the Executive Committee</b></p> <p>1. The Board of Directors shall constitute the members of the Executive Committee in accordance with the regulatory requirements, the Company's Articles of Association and any rules issued by the General Assembly.</p> <p>2. The Committee shall consist of a minimum of three and a maximum of five members.</p> <p>3. The Committee may be composed of executive and non-executive members.</p> <p>4. The term of the Executive Committee shall commence from the date of its selection by the Board of Directors and shall extend until the end of the specified Board term. In the event of the resignation of a member during the Committee term, the Board of Directors shall appoint a replacement member to complete the term.</p> <p>5. The Committee shall be chaired by a member selected by a resolution of the Board of Directors. In the event of their absence from a Committee</p>
--	--

<p>b) The disclosure to shareholders and investors shall be non-discriminatory, clear, correct and non-misleading, timely, regularly and accurately.</p> <p>c) The Company's website shall include all information required to be disclosed, and any other data or information published through other means of disclosure.</p> <p>(d) Preparing reporting systems that include specifying the information to be disclosed, and the method of classifying it in terms of its nature or the periodicity of its disclosure.</p> <p>Review disclosure policies periodically and verify their compliance with best practices and the provisions of the Capital Market Law and its implementing regulations.</p> <p>2 Duties of Al Rajhi Takaful Company:</p> <p>The management and board of directors of Al Rajhi Takaful Company shall comply with the following:</p>	<p>meeting, the attending members shall elect one of their number to chair the Committee meeting.</p> <p>6. The Committee may, when necessary, engage the consulting services of specialized external parties to carry out its duties, at the Company's expense, subject to the approval of the Board of Directors.</p> <p>7. The Committee shall appoint its Secretary within the specified period.</p> <p>8. The Secretary shall provide members with advance notices, send meeting agendas and relevant documents, and ensure their receipt prior to the Committee meeting.</p> <p><b>Article 2: Powers and Responsibilities of the Executive Committee</b></p> <p>The committee shall study the issues within its jurisdiction or those referred thereto by the Board, and submit its recommendations to the Board for decision-making. The committee shall be responsible for overseeing the Company's operations and ensuring the integrity and accuracy of reports. The Committee's duties include, in particular, the following:</p> <ol style="list-style-type: none"> <li>1. submitting reports to the Board of Directors.</li> <li>2. submitting recommendations and findings on issues raised by the Company's senior management and discussed by the Committee with the Board.</li> </ol>
--	--

<p>a) Integrity in disclosing information related to its activities to shareholders, investors, beneficiaries and other beneficiaries within an appropriate period of time in accordance with the statutory conditions.</p> <p>b) Comply with disclosure obligations as stipulated in the applicable regulations of listed companies.</p> <p>c) Ensure that market participants have equal opportunity to review and evaluate the information disclosed by Al Rajhi Takaful.</p> <p>d) Al Rajhi Takaful Company shall publish a report showing the profits and losses incurred for the company's account and shall publish a brief annual report and the full auditors' report in a local newspaper using the Arabic language at least 25 days before the general assembly meeting as described in the regulations, after obtaining the approval of the competent authorities. The</p>	<p>3. monitoring the performance of senior management and their commitment to the strategy established by the Board of Directors.</p> <p>4. reviewing and discussing the Company's annual budget for presentation, along with recommendations, to the Board of Directors.</p> <p>5. discussing technical, administrative, and marketing matters and submitting recommendations thereon to the Board of Directors.</p> <p>6. submitting recommendations to the Board of Directors regarding the Company's internal financial powers granted to the CEO or third parties.</p> <p>7. Committee members shall have an appropriate level of influence over decisions made.</p> <p>8. Committee members shall be constantly informed of business developments and act in good faith and with due diligence, while exercising due professional care and adhering to relevant rules and regulations to the benefit of shareholders, insureds, and other stakeholders.</p> <p>9. Committee members shall perform their duties free from any external influence, whether from within or outside the Company. They shall not place their personal interests or the interests of those they represent above the interests of the Company, stakeholders, or other beneficiaries.</p> <p>10. Committee members shall be prohibited from disclosing confidential information they have obtained as part of their responsibilities to</p>
--	---

<p>Company's Compliance Manager receives this confirmation.</p> <p>(e) Only such officers as may be authorized by the Board of Directors, CEO or Managing Director from time to time will speak to the media in relation to the Company's matters in accordance with this Policy. It is forbidden to publish any material information before it is published on the Tadawul website first.</p> <p>In light of enhancing shareholder participation in the Company's affairs, the Company shall follow the policy of keeping its shareholders informed by publishing relevant information on the Company's website, issuing public notices of meetings and informing Tadawul of new developments.</p> <p>g) Provide a copy of the company's corporate governance regulations and the annual report of its shareholders via the Internet.</p>	<p>shareholders or the public outside of General Assembly meetings, or from using any such information for personal gain or private advantage.</p> <p><b>Article 3: Executive Committee Meetings</b></p> <p>1. The Executive Committee shall hold its meetings periodically and whenever necessary, provided that there are no fewer than six meetings per year.</p> <p>2. Minutes of the Committee's meetings shall be recorded and signed by the Committee Chairman and Secretary in the official records.</p> <p>3. The Committee's meeting minutes shall detail attendance, topics discussed, important consultations, the voting process and results, abstentions (including reasons for abstentions, if any), and decisions made and reservations thereon. All documents reviewed or referred to in the meeting minutes shall be attached.</p> <p>4. The meeting minutes shall be distributed to the persons concerned within a maximum of fifteen days from the date of the meeting.</p> <p>5. A minimum of two members shall be present for a Committee meeting.</p>
--	--

<p>The approval of the Saudi Arabian Monetary Agency must be obtained to announce any expected events, taking into account the relevant laws and regulations.</p> <p>.</p> <p>3 Duties of the members of the Board of Directors and the management team of the company:</p> <p>The members of the Board of Directors and members of the Company's management team shall disclose to the Board of Directors the following:</p> <p>a) their shares in the shares or debt securities of the company and their transactions in the shares and debt securities of the company, including also the shares of first-degree relatives in such shares and debt securities. Failure to notify the company is a violation.</p> <p>b) Any information or other matters affecting their status or the likely perception of their status as an independent director of the Board of Directors;</p>	<p><b>Annex (B):</b></p> <p><b>Policies and Procedures of the Nomination and Remuneration Committee</b></p> <p><b>Article 1:</b> Formation of the Nomination and Remuneration Committee</p> <p>a) A committee called the "Nomination and Remuneration Committee" shall be formed by a decision of the Company's Board of Directors, consisting of no fewer than three members, two of whom shall be independent.</p> <p>b) The Chairman of the Board of Directors may not serve as Chairman of the Nomination and Remuneration Committee.</p> <p>c) The Company's General Assembly shall issue, upon a proposal from the Board of Directors, the bylaws for the Nomination and Remuneration Committee. Such bylaws shall include the Committee's operating controls and procedures, its duties, the rules for selecting its members, their term of membership, and their remuneration.</p> <p>d) The Committee shall meet periodically at least every six months.</p>
--	---

<p>c) Any situation that includes or is expected to involve a conflict of interest with the Company.</p> <p>(d) Any suspicion of violations of these Rules;</p> <p>Any proposed contract between a member of the Board of Directors and the Company, which must be preceded in accordance with the Law by disclosure to the Board of Directors of the interests of such member.</p> <p>The Board of Directors shall regulate the disclosures of each of its members and members of the Executive Management, taking into account the following:</p> <p>a) Develop a special register of disclosures of the members of the Board of Directors and the Executive Management and update it periodically, in accordance with the disclosures required under the Companies Law, the Capital Market Law and their implementing regulations.</p>	<p>e) The Committee shall appoint its Secretary within the specified period.</p> <p>f) The Secretary shall provide members with advance notices, send meeting agendas, and relevant documents, and ensure their receipt prior to the Committee meeting.</p> <p><b>Article 2: Powers and Responsibilities of the Nomination and Remuneration Committee</b></p> <p>The duties and responsibilities of the Nomination and Remuneration Committee include the following:</p> <ol style="list-style-type: none"> <li>1. preparing a clear policy for the remuneration of members of the Board of Directors, its committees, and executive management, and submitting it to the Board of Directors for consideration prior to approval by the General Assembly. Such policy shall adhere to performance-related standards, be disclosed, and be implemented to ensure compliance.</li> <li>2. clarifying the relationship between the remuneration granted and the applicable remuneration policy, and identifying any material deviation from such policy.</li> <li>3. periodically reviewing the remuneration policy and assessing its effectiveness in achieving its intended objectives.</li> <li>4. recommending to the Board of Directors the remuneration of members of the Board of Directors,</li> </ol>
---	---



<p>b) Provide access to the register to the company's shareholders free of charge.</p> <p>4 Disclosure in the Board of Directors' Report:</p> <p>The company shall attach to its annual financial statements a report issued by the Board of Directors that includes a presentation of its operations during the last fiscal year, and all the factors affecting the company's business, which the investor needs to be able to evaluate the company's assets, liabilities and financial position, and the report of the Board of Directors must include the following:</p> <ol style="list-style-type: none"> <li>1. A description of the main types of activity of the company and its subsidiaries, and in the case of a description of two or more types of activity, a statement of each activity must be attached and raised in the volume of the company's commercial business and its contribution to the results.</li> <li>2. A description of the Company's important plans and decisions (including structural changes to the Company, expansion of its</li> </ol>	<p>its committees, and the Company's senior executives in accordance with the approved policy.</p> <ol style="list-style-type: none"> <li>5. proposing clear policies and criteria for membership in the Board of Directors and executive management.</li> <li>6. recommending to the Board of Directors the nomination and re-nomination of members in accordance with the approved policies and criteria, taking into account not to nominate any person previously convicted of a crime involving dishonesty.</li> <li>7. preparing a description of the capabilities and qualifications required for Board membership and executive management positions.</li> <li>8. Determining the time a member must devote to Board work.</li> <li>9. conducting an annual review of the necessary skills or experience for Board membership and executive management positions.</li> <li>10. reviewing the structure of the Board of Directors and Executive Management and making recommendations regarding any possible changes.</li> <li>11. annually verifying the independence of independent members and the absence of any conflict of interest if the member serves on the board of directors of another company.</li> <li>12. preparing job descriptions for executive, non-executive, independent, and senior executive members.</li> </ol>
---	---

<p>business, or cessation of operations) Future expectations of the Company's business and any risks faced.</p> <p>3. A summary in the form of a table or graph of the company's assets, liabilities and business results in the last five fiscal years or since incorporation, whichever is shorter.</p> <p>4. Geographical analysis of the total revenues of the company and its subsidiaries.</p> <p>5 Clarification of any material differences in the operating results from the previous year's results or any expectations announced by the company</p> <p>6. The name of each subsidiary, its capital, the percentage of the company's ownership therein, its main activity, the country of its main place of operations, and the country where it is incorporated.</p> <p>7. Details of the shares and debt instruments issued to each subsidiary.</p> <p>8- A description of the company's policy in distributing profits.</p>	<p>13. establishing special procedures in the event of a vacancy in the position of a Board member or senior executive.</p> <p>14. identifying the strengths and weaknesses of the Board of Directors and proposing solutions to address them in a manner consistent with the Company's interests.</p> <p>15. The Nomination and Remuneration Committee shall ensure that an annual review of the Company's compensation and remuneration practices is conducted (by the internal audit function or a specialized external entity) independently and without interference from the Company's executive management.</p> <p>16. The remuneration and compensation structure for employees in oversight functions (such as internal audit and compliance monitoring) shall be designed in a manner that contributes to enhancing the impartiality and independence of such functions. Specifically, it shall be ensured that employee performance evaluations occupying these positions and the determination of their remuneration are carried out without any interference from the Company's executive management.</p> <p>17. The Nomination and Remuneration Committee shall evaluate the performance of the Board of Directors (each individual member and the Board as</p>
--	---

<p>9. A description of any interest in the voting class of shares belonging to persons (other than members of the Company's Board of Directors, senior executives and their relatives) who informed the Company of such rights under Article (21) of the Registration and Listing Rules, and any change in such rights during the last fiscal year.</p> <p>10. A description of any interest, contractual securities and subscription rights of the company's board members, senior executives and their relatives in the shares or debt instruments of the company or any of its subsidiaries, and any change in such interest or rights during the last fiscal year.</p> <p>11. Information related to any loans owed by the company (whether payable on demand or otherwise), and a statement of the total indebtedness of the company and its subsidiaries and any amounts paid by the company in repayment of loans during the year. In the absence of loans on the company, he must submit a declaration to this effect.</p>	<p>a whole) at least annually using formal, transparent, and objective criteria.</p> <p><b>Article 3: Nomination and Remuneration Policy</b></p> <p>Without prejudice to the provisions of the Companies Law, the Capital Market Law, and their implementing regulations, the following shall be taken into account regarding remuneration and nominations:</p> <ol style="list-style-type: none"> <li>1. Their policy shall be consistent with the Company's strategy and objectives.</li> <li>2. Remuneration shall be provided to encourage members of the Board of Directors and executive management to contribute to the Company's long-term success and development, such as linking the variable portion of remuneration to long-term performance.</li> <li>3. Remuneration shall be determined based on the position's level, the duties and responsibilities assigned to the employee, their academic qualifications, practical experience, skills, and level of performance.</li> <li>4. Their policy shall be consistent with the size, nature, and degree of risk within the Company.</li> <li>5. Remuneration practices by other companies shall be taken into consideration when determining remuneration, while avoiding any unjustified increases in remuneration and compensation.</li> <li>6. Remuneration shall be aimed at attracting, retaining, and motivating professional talent, without exaggerating the amount.</li> </ol>
--	--

<p>12. A description of the categories and numbers of any convertible debt instruments and any contractual securities, rights memoranda or similar rights issued or granted by the Company during the financial year, with an explanation of any compensation received by the Company in return for you.</p> <p>13. A description of any transfer or subscription rights under convertible debt instruments, contractual securities, subscription rights memoranda, or similar rights issued or granted by the Company .</p> <p>14. A description of any redemption, purchase or cancellation by the Company of any recoverable debt instruments, and the value of the remaining securities, distinguishing between listed securities purchased by the Company and those purchased by its subsidiaries.</p> <p>15. The number of meetings of the Board of Directors held during the last fiscal year, and the record of attendance at each meeting indicating the names of the</p>	<p>7. Remuneration disbursement or reclaim shall be suspended if it is determined based on inaccurate information provided by a member of the Board of Directors or executive management, in order to prevent abuse of their position to obtain undue remunerations.</p> <p>8. The granting of company shares to members of the Board of Directors and executive management, whether newly issued or shares purchased by the Company, shall be regulated.</p> <p>9. The remuneration and nomination policy adopted by the Company shall include strict formal standards and procedures for monitoring and evaluating the suitability and appropriateness of members of the Board of Directors, its committees, and members of senior management on an ongoing basis, in accordance with the requirements of Article 23 of the Insurance Corporate Governance Regulations issued by the Insurance Authority. The company shall inform the Insurance Authority of any information or circumstances that may affect the assessment of the suitability and appropriateness of these individuals within a period not exceeding three (3) business days from the date of obtaining such information or from the occurrence of the change.</p> <p><b>Article 4: Nomination Procedures</b></p> <p>1. When nominating members of the Board of Directors, the Remuneration and Nominations</p>
--	--

<p>attendees and the dates of their convening.</p> <p>16. Information relating to any business or contracts to which the company is a party, in which or in which there was an interest of one of the company's board members, the chief executive, the financial manager or any person related to any of them, and if there are no such works or contracts, the company shall submit an acknowledgment thereof.</p> <p>17. A statement of any arrangements or agreement whereby a member of the Company's Board of Directors or a senior executive waives any salary or compensation.</p> <p>18. A statement of any arrangements or agreement whereby one of the Company's shareholders waives any rights to profits.</p> <p>19. A statement of the value of the statutory payments due for the payment of any zakat, taxes, fees or any other dues, with a brief description thereof and a statement of the reasons therefor.</p>	<p>Committee shall take into account the requirements determined by the supervisory authorities.</p> <p>2. The number of Board of Directors candidates whose names are presented to the General Assembly shall exceed the number of available seats, so that the General Assembly has the opportunity to choose from among the candidates. If there are insufficient candidates, the Board of Directors may engage the services of an independent, specialized external party to identify additional candidates for Board membership.</p> <p>3. The Company shall publish the nomination announcement on the Company's website, the market's website, and any other means determined by the Capital Market Authority. This is to invite individuals wishing to nominate themselves for membership in the Board of Directors. Nominations shall remain open for at least one month from the date of the announcement.</p> <p>4. Every shareholder in the Company shall have the right to nominate themselves or others for membership in the Board of Directors in accordance with the provisions of the Companies Law and its implementing regulations.</p>
---	---

<p>20. A statement of the value of any investments or reserves established for the benefit of the company's employees.</p> <p>21. Declarations of:</p> <p>a) The accounts have been properly prepared in accordance with International Accounting Standards.</p> <p>b) The internal control system has been properly prepared and implemented effectively.</p> <p>c) There is no doubt whatsoever about the Company's ability to continue its activity. If none of the above is not possible, the report must contain a declaration explaining the reason for this.</p> <p>22. Information to be disclosed under the Corporate Governance Regulations.</p> <p>23. If the chartered accountant's report includes reservations on the annual financial statements, the report of the Board of Directors shall clarify such reservations, their reasons and any information related thereto.</p> <p>24. In the event that the Board of Directors recommends the</p>	<p><b>Annex (C):</b></p> <p><b>Policies and Procedures of the Investment Committee</b></p> <p><b>Article 1: Formation of the Investment Committee</b></p> <p>1. An investment committee shall be formed by a decision of the Company's Board of Directors. The Committee's members shall not be less than three (3) members, including independent, executive, and non-executive members. The Committee members shall have sufficient experience and knowledge in investment matters.</p> <p>2. The Investment Committee shall hold regular meetings, when necessary, provided that there are</p>
--	---

<p>replacement of the chartered accountant before the end of the period for which he is appointed, the report shall contain this, together with the reasons for recommending the replacement.</p> <p>25. Names of members of the Board of Directors, members of committees, and executive management, their current and previous positions, qualifications and experience.</p> <p>26- The names of companies inside or outside the Kingdom in which a member of the company's board of directors is a member of its current and previous boards of directors or one of its managers.</p> <p>27. The composition of the Board of Directors and the classification of its members as follows: an executive board member, a non-executive board member and an independent board member.</p> <p>28. Measures taken by the Board of Directors to inform its members , especially non-executives , of the shareholders' proposals and observations regarding the Company and its performance.</p>	<p>no fewer than four (4) meetings per year and one (1) meeting per quarter.</p> <p>3. The Committee shall appoint its secretary for the specified period.</p> <p>4. The Secretary shall provide members with advance notices, send meeting agendas, and relevant documents, and ensure their receipt prior to the committee meeting.</p> <p><b>Article 2: Powers of the Investment Committee</b> The Investment Committee's responsibilities include:</p> <ul style="list-style-type: none"> <li>a) formulating and preparing the investment policy, reviewing its performance, and implementing the same on a quarterly basis.</li> <li>b) reviewing the performance of each asset class.</li> <li>c) monitoring the overall risks of the investment policy.</li> <li>d) submitting the investment portfolio performance report to the Board of Directors.</li> <li>e) ensuring that all investment-related activities comply with the requirements of the Investment Regulations issued by the Insurance Authority and the requirements of other relevant laws and regulations.</li> </ul>
---	---

<p>29. A brief description of the terms of reference and tasks of the committees, such as: the audit committee, the remuneration and nomination committee, with the names of the committees, their chairmen and members, the number of their meetings, the dates of their convening, and the attendance data of the members for each meeting.</p> <p>30. Where applicable, the means relied upon by the Board of Directors to evaluate its performance and the performance of its committees and members, and the external body that carried out the evaluation and its relationship with the Company, if any.</p> <p>31. Disclosure of the remuneration of the members of the Board of Directors and the executive management in accordance with what is stipulated in the relevant laws and regulations.</p> <p>32. Any penalty, penalty, precautionary measure or precautionary restriction imposed on the company by any supervisory, regulatory or judicial authority, indicating the reasons for the violation, the signatory party, ways</p>	<p><b>Annex (D):</b> <b>Policies and Procedures of the Audit Committee</b> <b>Article 1: Formation of the Audit Committee</b> a) An audit committee shall be formed by a decision of the Company's Board of Directors, consisting of shareholders or others, provided that it does not include any executive members of the Board of Directors. The number of members of the Audit Committee shall not be fewer than three and not more than five, including a financial and accounting expert. The Board shall appoint a chairman from among the Committee members for the same Board term. This decision shall be issued based on the recommendation of the Remuneration</p>
---	--



<p>to remedy it and avoid its occurrence in the future.</p> <p>33. The results of the annual review of the effectiveness of the company's internal control procedures, in addition to the opinion of the audit committee on the adequacy of the company's internal control system.</p> <p>34. The recommendations of the Audit Committee that conflict with the decisions of the Board of Directors, or that the Board refused to take into account regarding the appointment of the Company's auditor, his dismissal, the determination of his fees, the evaluation of his performance or the appointment of the internal auditor, the justifications for those recommendations, and the reasons for not taking them into account.</p> <p>35. Details of the company's social contributions, if any.</p> <p>36. A statement of the dates of the general assemblies of shareholders held during the last fiscal year and the names of the members of the Board of Directors present for these assemblies.</p>	<p>and Nominations Committee—after obtaining the Insurance Authority's no-objection approval.</p> <p>b) The Audit Committee shall consist of a minimum of three and a maximum of five members, including at least one independent member.</p> <p>c) The Company's General Assembly shall issue, based on a proposal from the Board of Directors, the Audit Committee's bylaws. Such bylaws shall include the Committee's operating controls and procedures, its duties, the rules for selecting its members, the method of their nomination, their term of membership, their remuneration, and the mechanism for appointing members temporarily in the event of a vacancy.</p> <p>d) The chairman of the Board of Directors may not be a member or chairman of the Audit Committee.</p> <p>e) No one who works, or has worked within the past two years, in the Company's executive or financial management, or with the Company's auditors, may be a member of the Audit Committee.</p> <p>f) A member of the Audit Committee may not simultaneously serve on the audit committees of more than five joint-stock companies listed on the market.</p> <p>g) A member of the Audit Committee shall not be a member of the board of directors or audit committee of any other company operating in the insurance sector in the Kingdom of Saudi Arabia.</p>
---	---

<p>37. The number of the company's requests for the register of shareholders, the dates and reasons for such requests.</p> <p>38. A description of any transaction between the Company and a related party.</p> <p>5 Disclosure of Remuneration:</p> <p>The Board of Directors shall:</p> <ol style="list-style-type: none"> <li>1. Disclosure of the remuneration policy and how to determine the remuneration of the members of the Board and the executive management of the Company.</li> <li>2. Disclose accurately, transparently and in detail in the Board of Directors' report the remuneration granted to the members of the Board of Directors and the executive management, directly or indirectly, without concealment or misinformation, whether amounts, benefits or benefits, whatever their nature and name.</li> <li>3. Clarify the relationship between the bonuses granted and the applicable remuneration policy, and indicate any material deviation from this policy.</li> </ol>	<p>h) A member of the Audit Committee shall not be a member of the board of directors, directors, employees, consultants, affiliates, or representatives of any of the company's related parties, including, but not limited to:</p> <ol style="list-style-type: none"> <li>1. major shareholders or founders</li> <li>2. auditors</li> <li>3. suppliers</li> <li>4. the Company's clients</li> <li>5. Legal persons who have a financial, commercial, or first-degree kinship relationship with the Company's Board of Directors or executive employees.</li> </ol> <p>i) The chairman of the Audit Committee shall not have a close relationship or a financial or commercial relationship with any member of the Board of Directors.</p> <p>j) The Chairman of the Audit Committee shall not have a relationship with the Company's senior management that would affect their independence.</p> <p>k) The Board member nominated for membership in the Committee shall be independent.</p> <p>l) The Board of Directors shall ensure that the members of the Audit Committee are qualified to fulfill their responsibilities. At least two (2) members of the Committee, including the Committee Chairman, must have recent and relevant experience in the field of accounting and financial management.</p>
---	---

<p>4. Indicate the necessary details regarding the remuneration and compensation paid to each of the following separately:</p> <ul style="list-style-type: none"> <li>- Members of the Board of Directors.</li> <li>- Five senior executives who received the highest remuneration from the company, including the CEO and Chief Financial Officer.</li> <li>- Members of the committees.</li> </ul> <p>The disclosure mentioned in this Article shall be in the report of the Board of Directors and in accordance with the tables attached to the Corporate Governance Regulations issued by the Capital Market Authority.</p> <p>6 Ongoing Duties: Obligation to disclose material developments:</p> <p>The company shall inform the Authority and the public without delay of any material developments within the framework of its activity that are not known to the general public and affect its assets and liabilities, its financial position or the general course of its business or subsidiaries, and may:</p>	<p>m) The Board, after obtaining a written no-objection from the Insurance Authority, shall have the right to recommend the dismissal of any member of the Committee if they no longer meet the membership requirements or commit a violation of such bylaws, the provisions of the Cooperative Insurance Companies Control Law, its Executive Bylaws, or other relevant regulations and instructions.</p> <p>n) The Insurance Authority may revoke its no-objection to the appointment of any member or members of the Audit Committee.</p> <p>o) A member of the Committee shall have the right to resign, provided that their resignation request is submitted to the Board one month prior to the effective date of the resignation. The Company shall notify the Insurance Authority in writing of the resignation of the Committee member and the reasons for their resignation, and provide the Insurance Authority with a copy of the resignation request within five (5) business days of the resignation date.</p> <p>p) If a Committee member's position becomes vacant during the term of membership, the Board shall appoint another member to fill the vacant position within a maximum period of one (1) month from the date of the vacancy, after obtaining the Insurance Authority's written no-objection. The new member shall complete the term of their</p>
---	---

<p>1. Lead to a change in the price of listed securities.</p> <p>2. Significantly affect the company's ability to meet its obligations related to debt instruments. In order to determine which development falls within the scope of this paragraph, the Company shall determinewhether any investor is likely to take that development into account when making his investment decision.</p> <p>3. Among the material developments that the company must disclose, including but not limited to, the following:</p> <p>Any transaction to buy or sell an asset at a price equal to or greater than 10% of the company's net assets.The company's disclosure in this case shall include the following information (where applicable:(</p> <p>1. Details of the transaction with its conditions, parties and method of financing.</p> <p>2. Description of the activity subject of the transaction.</p>	<p>predecessor, provided that the appointment is approved by the nearest General Assembly meeting.</p> <p>q) A member shall be deemed to have resigned from the Committee if they fail to attend more than three (3) consecutive meetings without an excuse accepted by the Committee and the Board.</p> <p>r) A committee member's membership shall terminate immediately if any change occurs that would violate the membership conditions stipulated in such Bylaws or any other regulations, instructions, or decisions issued by the Insurance Authority, the Authority, or other relevant legislative bodies. A committee member shall notify the Company in writing immediately of such change. A committee member may not attend any committee meeting held after the date of the change.</p> <p>s) The Board may recommend to the General Assembly the renewal of the Committee or any of its members for another three-year term, only once.</p> <p>t) The Audit Committee shall appoint a secretary from among the Company's employees for the Committee's working hours.</p> <p>u) The Secretary shall provide members with advance notices and send meeting agendas and related documents.</p>
---	---

<p>3. Financial statements for the last three years of the asset subject to the transaction.</p> <p>4. The reasons for the transaction and its expected effects on the company and its operations.</p> <p>5. Statement of the use of proceeds.</p> <p>Any indebtedness outside the ordinary framework of the company's activity in an amount equal to or more than 10% of the company's net assets.</p> <p>Any losses equal to or greater than 10% of the company's net assets.</p> <p>c) Any significant change in the company's production environment or activity including, but not limited to, the abundance and accessibility of resources.</p> <p>d) Change of the CEO of the company or any changes in the composition of the members of the company's board of directors .</p> <p>Any major lawsuit if the amount subject of the lawsuit is equal to or more than 5% of the company's net assets.</p>	<p><b>Article 2: Powers, Authorities and Responsibilities of the Audit Committee</b></p> <p><b>1. The Audit Committee is responsible for monitoring the Company's operations and verifying the integrity and accuracy of its financial reports, statements, and internal control systems. The committee's responsibilities include, in particular, the following:</b></p> <p><b>a) Financial Reports:</b></p> <p>1. reviewing the Company's interim, annual, and quarterly financial statements before presenting the same to the Board of Directors, along with the auditors and senior management, and providing its opinion and recommendations thereon to ensure their integrity, fairness, and transparency.</p> <p>2. Providing a technical opinion—upon request by the Board of Directors—on whether the Board of Directors' report and the Company's financial statements are fair, balanced, and understandable, and contain information that enables shareholders and investors to assess the Company's financial position, performance, business model, and strategy.</p> <p>3. reviewing any important or unusual issues contained in the financial reports.</p> <p>4. carefully investigating any issues raised by the Company's chief financial officer, or their</p>
--	---

<p>Increase or decrease in the company's net assets equal to or greater than 10%</p> <p>g) Increase or decrease in the total profits of the company equal to or greater than 10%</p> <p>h) entering into a contract whose revenues are equal to or greater than 5% of the company's total revenues or unexpected termination of that contract.</p> <p>i) Any transaction between the Company and a related party or any arrangement whereby the Company and a related party invest in or provide financing for any project or asset.</p> <p>j) Any interruption in any of the main activities of the Company or its subsidiaries.</p> <p>7 Disclosure of Financial Information:</p> <p>a) The Board of Directors shall approve the interim and annual financial statements of the Company and shall be signed by an authorized member of the Board of Directors, the Chief Executive Officer and the Chief Financial Officer, before publishing and</p>	<p>designee, the Company's compliance officer, the auditor, or the director of internal audit.</p> <p>5. verifying accounting estimates on material matters contained in the financial reports.</p> <p>6. studying the accounting policies followed in the Company and express an opinion and recommendation to the Board of Directors regarding them.</p> <p><b>b) Internal Audit:</b></p> <p>1. studying and reviewing the Company's internal control, financial, and risk management systems.</p> <p>2. studying internal audit reports and following up on the implementation of corrective actions for the observations contained therein.</p> <p>3. monitoring and supervising the performance and activities of the Company's Internal Auditor and Internal Audit Department to ensure the availability of necessary resources and their effectiveness in performing their assigned tasks.</p> <p>4. recommending to the Board of Directors the appointment and dismissal of the head of the Internal Audit Unit or Department or the Internal Auditor —after obtaining written approval from the Insurance Authority.</p> <p>5. determining the monthly salary, incentive bonus, and other remuneration for the Internal Audit Department or Internal Auditor in accordance with</p>
---	--

<p>distributing them to shareholders and others.</p> <p>The interim and annual financial statements and the report of the Board of Directors referred to in Article (43) of the Rules of Registration and Listing shall be submitted to the Authority immediately upon approval by the Board of Directors.</p> <p>The company shall announce, through the electronic applications determined by the Authority, its interim and annual financial statements immediately upon their approval by the Board of Directors, and these lists may not be published to shareholders or others before being announced in the market.</p> <p>d) The Authority shall provide and announce to shareholders its interim financial statements, which must be returned and examined in accordance with the International Financial Reporting Standards (IFRS) and other relevant International Accounting Standards (IAS), immediately upon their</p>	<p>the Company's internal regulations approved by the Board.</p> <p>6. ensuring the independence of the Internal Audit Department or Internal Auditor in performing their duties and ensuring that there are no restrictions on their work or anything that could negatively impact the same.</p> <p>7. studying the audit plan for the internal and external auditors.</p> <p>8. coordinating between the internal auditors and the auditors.</p> <p>9. reviewing the reports of the Internal Audit Department or the Internal Auditor and submit recommendations thereon to the Board of Directors.</p> <p>10. Evaluating the level of efficiency, effectiveness, and objectivity of the work of the Internal Audit Department or the Internal Auditor.</p> <p><b>c) Auditor:</b></p> <p>1. Recommending to the Board of Directors the nomination, appointment, reappointment, and dismissal of auditors, determining their fees, and evaluating their performance, after verifying their independence and reviewing the scope of their work and the terms of their contracts. This includes ensuring that the nominated external auditors have the necessary experience to audit the business of insurance and/or reinsurance companies.</p> <p>2. Verifying the independence of the auditor from the Company, the members of the Board of</p>
---	---

<p>approval and within a period not exceeding (30) days from the end of the financial period covered by such statements.</p> <p>e) The Company shall provide the Authority and announce to the shareholders its annual financial statements, which shall be prepared and reviewed in accordance with the International Financial Reporting Standards (IFRS) and other relevant International Accounting Standards (IAS), immediately upon their approval and within a period of no time.</p> <p>It exceeds (three months) from the end of the annual financial period covered by these lists .The company shall provide the Authority and announce to the shareholders these annual financial statements within a period not less than (30) calendar days prior to the date of the issuer's annual general assembly.</p> <p>The company shall ensure that the chartered accountant who reviews the financial statements, and any partner thereof, comply with the rules and regulations of the Saudi Organization for Certified Public</p>	<p>Directors, and the Company's senior management, as well as their objectivity and fairness, and the effectiveness of their audit work, taking into account relevant rules and standards.</p> <p>3. Reviewing the Company's auditor's plan and work, ensuring that they do not provide technical, administrative, or advisory work that falls outside the scope of the audit, and providing their views thereon.</p> <p>4. Responding to inquiries from the Company's auditor.</p> <p>5. Reviewing the management letter prepared by the auditors and the Company's management's views thereon.</p> <p>6. Studying the auditor's report and comments on the financial statements, follow up on the actions taken thereon, and submitting recommendations thereon to the Board of Directors.</p> <p><b>d) Ensuring Compliance:</b></p> <p>1. Appointing and dismissing the Compliance Department Manager or Compliance Officer—after obtaining written approval from the Insurance Authority.</p> <p>2. Determining the monthly salary, incentive bonus, and other remuneration for the Compliance Department or Compliance Officer, in accordance with the Company's internal bylaws approved by the Board.</p>
--	--



<p>Accountants with regard to the ownership of any shares or securities of the issuer or any of its affiliates, in a manner that ensures the independence of the chartered accountant and any partner or employee in his office.</p> <p>8 Notice of ownership of large shares or convertible debt instruments:</p> <p>a) When one or more of the following situations apply to any person, that person shall notify the Company and the Authority at the end of the trading day of the occurrence of the relevant situation:</p> <ol style="list-style-type: none"> <li>1. When he becomes the owner or has an interest in 5% or more of any class of the company's voting shares or the company's convertible debt instruments .</li> <li>2. When there is an increase or decrease in the ownership or interest of the person referred to in subparagraph (1) of paragraph (a) of this Article by 1% or more of the company's convertible debt shares or instruments .</li> <li>3. When a member of the Board of Directors or a senior executive of</li> </ol>	<ol style="list-style-type: none"> <li>3. Studying and approving the compliance plan and monitoring its implementation.</li> <li>4. Ensuring the independence of the Compliance Department or Compliance Officer in performing their duties, and verifying that there are no restrictions on their work or anything that could negatively impact their work.</li> <li>5. Reviewing the results of regulatory reports and verifying that the Company has taken the necessary action in this regard.</li> <li>6. Studying the reports of the Compliance Department or Compliance Officer and submitting recommendations thereon to the Board of Directors.</li> <li>7. Evaluating the level, efficiency, effectiveness, and objectivity of the Compliance Department or Compliance Officer's work.</li> <li>8. Studying the observations and reports of the Insurance Authority and relevant supervisory and regulatory authorities regarding any regulatory violations or requests for corrective action, and submitting recommendations thereon to the Board of Directors.</li> <li>9. Verifying the Company's compliance with relevant rules, regulations, policies, and instructions.</li> <li>10. Reviewing contracts and transactions proposed to be concluded by the Company with related parties and submitting its views thereon to the Board of Directors.</li> </ol>
---	---

<p>the issuer becomes the owner or has an interest in any shares rights or convertible debt instruments of the company .</p> <p>4. In the event of an increase or decrease in the ownership or interest of any of the members of the Board of Directors in the Company, or one of its senior executives, by 50% or more of the shares or transferable debt instruments owned by him in such sources, or by 1% or more of the Company's convertible shares or debt instruments, whichever is less.</p> <p>(b) For the purposes of this Article, in calculating the total number of convertible debt shares or instruments in which any person has an interest, a person shall be deemed to have an interest in any convertible shares or debt instruments owned or controlled by any of the following persons:</p> <ol style="list-style-type: none"> <li>1. Relatives of that person</li> <li>-2 company controlled by you person.</li> <li>3. Any other persons acting in agreement with that person to obtain an interest or exercise voting</li> </ol>	<p>11. Submitting any matters it deems necessary to take action to the Board of Directors and issuing recommendations on the necessary actions.</p> <p><b>e) Other:</b></p> <ol style="list-style-type: none"> <li>1. Following up on important lawsuits filed by or against the Company, and submit periodic reports thereon to the Board of Directors.</li> <li>2. Reviewing the actuarial reports and submitting recommendations thereon to the Board of Directors.</li> <li>3. Ensuring the Company's commitment to implementing the actuarial expert's proposals and recommendations when required by the regulations and instructions issued by the Insurance Authority and relevant supervisory and regulatory authorities.</li> <li>4. Ensuring the availability of a written code of professional conduct, approved by the Company's Board of Directors, to ensure the Company's activities are conducted in a fair and ethical manner.</li> <li>5. Ensuring the optimal use of information technology and the availability of the necessary controls to obtain accurate and reliable information and data.</li> <li>6. Referring any matters it deems necessary to take action to the Board of Directors, and making recommendations on the necessary actions.</li> </ol> <p><b>2. The Board shall grant the Audit Committee the necessary powers to investigate any matter within its jurisdiction and ensure the</b></p>
---	--

<p>rights in the shares or convertible debt instruments of the Company .</p> <p>(c) The Authority may publish any notice received under this Article.</p> <p>The notice referred to in paragraph (a) of this Article shall be in accordance with the form adopted by the Authority, provided that it shall contain information not less than the following:</p> <ol style="list-style-type: none"><li>1. Names of persons who own or have the right to dispose of convertible shares or debt instruments.</li><li>2. Details of the acquisition process.</li><li>3. Details of any material support from another person for the ownership process or financing loans.</li><li>4. Statement of the purpose of ownership.</li></ol> <p>e) In the event of a change in the previously disclosed ownership objective, the person related to the event shall immediately notify the Company and the Authority of such change, and he may not dispose of any of the company's shares or</p>	<p><b>independence of the internal audit function and its ability to access all the information it needs to carry out its work. To perform its duties, the Audit Committee shall have the following powers:</b></p> <ol style="list-style-type: none"><li>a) The right to review the Company's records and documents.</li><li>b) Requesting any clarification or statement from the members of the Board of Directors or the Executive Management.</li><li>c) Requesting the Board of Directors to convene the Company's General Assembly if the Board of Directors obstructs its work or the Company suffers significant damages or losses.</li></ol> <p><b>3. If there is a conflict between the Audit Committee's recommendations and the Board of Directors' decisions, or if the Board refuses to accept the Committee's recommendations regarding the appointment, dismissal, renewal of the auditor's fees, performance evaluation, or appointment of the internal auditor, the Board of Directors' report must include the Committee's recommendation, its justifications, and the reasons for not accepting it.</b></p> <p><b>Article 3: Audit Committee Meetings</b></p> <ol style="list-style-type: none"><li>a) The Audit Committee shall meet periodically, with no fewer than six meetings during the Company's fiscal year, including the annual meeting with the Board of Directors.</li></ol>
---	--

<p>convertible debt instruments until (10) days have elapsed from the date of notification of the change.</p> <p>Without prejudice to the provisions of this Article, a person who becomes the owner or has an interest in 10% or more of any class of shares or convertible debt instruments of the company may not dispose of any of them without the approval of the Authority. The Authority may impose certain restrictions on such conduct and determine the manner thereof.</p> <p>9 Restrictions on shares:</p> <p>a) Any person or group of persons whose prospectus appears to own shares in the company in any of those shares shall within six months following the date of commencement of trading.</p> <p>(b) Any person or group of persons whose prospectus appears to own shares in the company shall undertake that the registered owner will not dispose of any of those shares of which the prospectus appears to be the beneficial owners within six months following the date of commencement of trading</p>	<p>b) A meeting may be held, whenever necessary, at the request of the Chairman of the Board of Directors, the internal auditor, the external auditor, the compliance officer, or the actuary.</p> <p>c) The Audit Committee shall not meet unless at least half of its members are present.</p> <p><b>Article 4: Audit Committee Report</b></p> <p>1. The Audit Committee's report shall include details of its performance of its duties and responsibilities stipulated in these regulations, including its recommendations and opinion on the adequacy of the Company's internal control, financial, and risk management systems.</p> <p>2. The Board of Directors shall deposit sufficient copies of the Audit Committee's report at the Company's headquarters and publish it on the Company's website and the Exchange's website when the invitation to the General Assembly is issued, enabling shareholders who wish to obtain a copy. A summary of the report shall be read during the General Assembly.</p>
--	--

of the shares .A person is considered a beneficial owner of shares if he holds the ultimate real beneficial ownership or control of the shares through a number of serial companies or otherwise.

The Authority may oblige any person or group of persons whose prospectus appears to be owning shares as stated in paragraphs (a) and (b) of this Article not to dispose of any of these shares for a period exceeding (6) months if it deems that such issuance protects investors.

d) The shares granted to the persons referred to in paragraphs (a) (f) (b) of this Article as a result of increasing the company's capital by issuing capitalization shall be considered among the shares prohibited for disposal in accordance with the provisions stipulated in this Article.

(e) Any person or group of persons whose prospectus appears to be holding shares in the company must obtain

The prior approval of the Authority to dispose of them at the end of any

#### **Annex (E):**

#### **Policies and Procedures of the Risk Management Committee**

#### **Article 1: Formation of the Risk Management Committee**

1. A committee called the "Risk Management Committee" shall be formed by a decision of the Company's Board of Directors. Its chairman and a majority of its members shall be non-executive Board members. Its members shall possess an appropriate level of knowledge in risk management and financial affairs, with no fewer than three members. The committee shall be chaired by a non-executive member.

2. The Risk Management Committee shall meet periodically, at least every six months, and whenever necessary.

3. The Committee shall appoint a secretary from among the Company's employees for the committee's term.

4. The secretary shall provide members with advance notices and send meeting agendas and relevant documents.

<p>period stipulated in paragraphs (a) (or) b (or) (c) of this Article.</p> <p>10. Reporting related to securities:</p> <p>a) Inform the Authority without delay of any significant change in the ownership or identity of the owners of more than 5% of the company's shares or convertible debt instruments .</p> <p>b) Inform the Authority and the public without delay of the following information:</p> <ol style="list-style-type: none"><li>1. Any proposed change in its capital.</li><li>2. Any decision to declare dividends, recommend their declaration, pay shares thereof, or make other distributions to holders of listed securities.</li><li>3. Any decision not to declare dividends or to recommend not to declare them or not to pay shares thereof is expected to be announced, recommended to be announced or paid in the ordinary course of events.</li><li>4. Any decision to call, repurchase, withdraw, redeem or offer to purchase its securities, the total</li></ol>	<p><b>Article 2: Powers of the Risk Management Committee</b></p> <p>Without prejudice to any other regulatory or supervisory requirements, the duties of the Risk Management Committee include, but are not limited to, the following:</p> <ol style="list-style-type: none"><li>1. Identifying the risks to which the Company may be exposed and maintaining an acceptable level of risk for the Company.</li><li>2. Overseeing the Company's risk management system and assessing its effectiveness.</li><li>3. Developing a comprehensive risk management strategy and monitoring its implementation, reviewing, and updating it based on the Company's internal and external variables.</li><li>4. Reviewing risk management policies.</li><li>5. Periodically reassessing the Company's risk tolerance and exposure.</li><li>6. Submitting detailed reports to the Board of Directors on risk exposure and proposed steps to manage these risks.</li><li>7. Making recommendations to the Board on the matters related to risk management.</li></ol>
--	---

<p>amount, the number and value thereof.</p> <p>5. Any decision not to pay relating to debt instruments or convertible debt instruments.</p> <p>6. Any change in the rights associated with any of the listed classes of shares or convertible debt instruments.</p> <p>1 Conflict of Interest Policy:</p> <p>The Board of Directors shall establish a written and clear policy to deal with cases of actual or potential conflicts of interest that may affect the performance of the members of the Board of Directors, the executive management or other employees of the Company when dealing with the Company or other stakeholders, provided that this policy includes in particular the following:</p> <p>1. Emphasizing on the members of the Board of Directors, major shareholders, senior executives and other employees of the company the need to avoid situations that lead to a conflict of interests with the interests of the company, and to</p>	
--	--

<p>deal with them in accordance with the provisions of the Companies Law and its implementing regulations.</p> <p>2. Provide illustrative examples of conflicts of interest commensurate with the nature of the company's activity.</p> <p>3. Clear procedures for disclosing conflicts of interest, and obtaining the necessary license or approval before starting works that may give rise to a conflict of interest.</p> <p>4. Obligation to disclose permanently cases that may lead to a conflict of interest or when such conflict occurs. 5. Obligation to abstain from voting or participate in decision-making when there is a conflict of interest.</p> <p>6. Clear procedures when the company contracts or deals with a related party, provided that this includes informing the Authority and the public without any delay of such contract or dealing, if such contract or transaction is equal to or more than 1% of the company's total revenues according to the</p>	
--	--



<p>latest audited annual financial statements.</p> <p>7. Actions taken by the Board of Directors if it finds a violation of this policy.</p> <p>8. How to compensate stakeholders in case of violation of their rights determined by regulations or protected by contracts.</p> <p>9. How to settle complaints or disputes that may arise between the company and stakeholders.</p> <p>10- How to build good relationships with customers and maintain the confidentiality of information related to them.</p> <p>11. Treating the company's employees in accordance with the principles of justice, equality and non-discrimination.</p> <p>2 Avoid conflicts of interest:</p> <p>A member of the Board of Directors shall:</p> <p>1. Exercise his duties with honesty and integrity, and to put the interests of the company above his personal interest, and not to exploit</p>	
--	--

<p>his position to achieve private interests.</p> <p>2. Avoid cases of conflict of interest, and inform the Council of cases of conflicts that may affect its impartiality when considering the topics before the Council.</p> <p>3. Maintaining the confidentiality of information related to the company and its activities.</p> <p>b) A member of the Board of Directors is prohibited from:</p> <p>1. Voting on the resolution of the Board of Directors or the General Assembly in the works and contracts concluded for the company's account if it has a direct or indirect interest in it.</p> <p>2. Exploiting or benefiting – directly or indirectly – from any of the company's assets, information or investment opportunities offered to him as a member of the board of directors, or offered to the company, including investment opportunities that fall within the company's activities, or that the company wishes to benefit from, and the prohibition applies to a</p>	
--	--

<p>board member who resigns in order to exploit investment opportunities – directly or indirectly. which the company wishes to benefit from and which he learned about during his membership in the Board of Directors.</p> <p>3- Candidate's Disclosure of Conflict of Interest:</p> <p>Whoever wishes to nominate himself for membership of the Board of Directors shall disclose to the Board and the General Assembly any cases of conflict of interest in accordance with the procedures prescribed by the Authority, including:</p> <p>The existence of a direct or indirect interest in the business and contracts concluded for the account of the company for which he wishes to run for the board of directors.</p> <p>Participation in a business that would compete with the company or compete with it in one of the branches of the activity it engages.</p> <p>4 Company competition:</p>	
--	--

<p>If a member of the Board of Directors wishes to participate in a business that would compete with the company or compete with it in one of the branches of the activity it carries out, the following shall be taken into account:</p> <p>Inform the Board of Directors of the competing business it wishes to practice, and record such notification in the minutes of the meeting of the Board of Directors.</p> <p>The stakeholder member shall not participate in voting on the resolution issued in this regard by the Board of Directors and the shareholders' assemblies.</p> <p>The Chairman of the Board of Directors shall inform the Ordinary General Assembly when it convenes of the competing business practiced by the Board member, after the Board of Directors verifies that the Board member competes with the company's business or competes in one of the branches of the activity it carries out in accordance with the controls approved by him, provided that</p>	
--	--

<p>these works are verified on an annual basis.</p> <p>Obtaining a prior license from the Company's Ordinary General Assembly allowing the member to practice competing business, provided that this license is renewed annually.</p> <p>5 Refusal to renew the license:</p> <p>If the General Assembly refuses to renew the license granted under Articles Seventy-One and Seventy-Two of the Companies Law and Article Forty-Six of the Authority's Governance, the member of the Board of Directors shall submit his resignation within a period determined by the General Assembly, otherwise his membership in the Board shall be considered expired, unless he decides to withdraw from the contract, deal, compete or reconcile its conditions in accordance with the Companies Law and its implementing regulations before the expiry of the period specified by the General Assembly.</p> <p>6 Accepting gifts:</p>	
--	--

<p>No member of the Board of Directors and senior executives may accept gifts from any person who has business dealings with the Company, if such gifts would give rise to a conflict of interest.</p> <p>7. Reporting Violating Practices:</p> <p>The Board of Directors shall, upon the proposal of the Audit Committee, develop the necessary policies or procedures to be followed by stakeholders in submitting their complaints or reporting violating practices, taking into account the following:</p> <p>a) Facilitate informing stakeholders, including employees of the company, of the Board of Directors of any actions or practices that may be issued by the executive management that violate the applicable laws, regulations and rules or raise suspicion in the financial statements, internal control systems or others.</p> <p>(b) Maintain the confidentiality of reporting procedures by facilitating direct contact with an independent member of the audit committee or other relevant committees.</p>	
---	--

<p>Assigning a competent person to receive and deal with complaints or reports of stakeholders.</p> <p>d) Allocate a telephone or e-mail to receive complaints.</p> <p>f) Provide the necessary protection to stakeholders.</p> <p>1 Assigning the audit task:</p> <p>The Company shall entrust the task of auditing its annual accounts to an independent, competent, experienced and qualified auditor to prepare an objective and independent report for the Board of Directors and shareholders showing whether the Company's financial statements clearly and fairly reflect the Company's financial position and performance in material respects.</p> <p>2 Appointment of the auditor:</p> <p>The Ordinary General Assembly shall appoint the Company's auditor upon the nomination of the Board of Directors, subject to the following:</p> <p>a) His nomination shall be based on the recommendation of the Audit Committee.</p>	
---	--

<p>b) To be licensed and meet the conditions prescribed by the competent authority.</p> <p>c) His interests do not conflict with those of the company.</p> <p>d) The number of candidates should not be less than two female reviewers</p> <p>3 Duties of the auditor:</p> <p>The auditor must:</p> <p>a) Exerting the duties of care and honesty for the company.</p> <p>b) Inform the Authority in the event that the Board of Directors does not take appropriate action on suspicious matters raised by it.</p> <p>c) Request the Board of Directors to convene the Ordinary General Assembly if the Board does not facilitate its work .He shall be liable for compensating the damage caused to the company, shareholders or third parties due to errors made by him in the performance of his work, and if there are several auditors and they participate in the error, they shall be jointly liable.</p>	
---	--



<p>1 Retention of documents:</p> <p>The company shall keep all minutes, documents, reports and other documents required to be kept under these Regulations at the company's headquarters for a period of not less than ten years, including the report of the Board of Directors and the report of the Audit Committee .</p> <p>Without prejudice to this Article, the Company shall in the event of a lawsuit (including any existing or threatened lawsuit)</p> <p>by filing them (or a claim or any ongoing investigation proceedings relating to such minutes, documents, reports or documents retained until the end of such lawsuit, claim or ongoing investigation proceedings.</p> <p>1 Modulation</p> <p>1.1 The Board of Directors shall form the members of the Executive Committee in accordance with the regulatory requirements, the Company's Articles of Association and any rules issued by the General Assembly.</p>	
--	--

<p>2.1 The Committee shall be composed of at least three members and a maximum of five.</p> <p>3.1 The Committee may be composed of executive and non-executive members.</p> <p>4-1 The term of membership of the Executive Committee shall commence from the date of selection of its members by the Board of Directors and shall extend until the end of the term of the Board of Directors that has been determined, and in the event of the resignation of one of its members during the session of the Committee, the Board of Directors shall appoint an alternative member to complete the term of office.</p> <p>5.1 Committee members must have an appropriate level of ability to influence decisions made.</p> <p>6.1 The members of the Committee shall be kept informed of the course of business and shall act in good faith and diligence with the necessary professional care and compliance with the relevant laws and regulations for the benefit of</p>	
--	--

<p>shareholders, insured persons and other stakeholders.</p> <p>7.1 The members of the Committee shall perform their duties free from any external influence, whether from inside or outside the Company, and shall not advance their personal interests or the interests of those who represent the interests of the Company, shareholders and other stakeholders.</p> <p>1.8 Members of the Committee are prohibited from disclosing confidential information obtained as part of the exercise of their responsibilities to shareholders or the public outside of the General Assembly meetings or using any such information for personal benefit or private profit.</p> <p>9.1 The Committee may seek the assistance of specialized third-party consultancy services to carry out its role, when needed, at the expense of the Company, after the approval of the Board of Directors.</p> <p>1.10 The Committee shall be chaired by a member of the Committee selected by a decision</p>	
--	--

<p>of the Board of Directors, and in case of absence from the meeting of the Committee, the members present shall select one of them to chair the meeting of the Committee.</p> <p>2 Secretary</p> <p>2.1 The Committee shall appoint its Secretary within the period specified for it.</p> <p>2.2 The Secretary shall provide Members with advance notifications, send meeting schedules and related documents, and ensure that they are received within 10 working days prior to the Committee meeting.</p> <p>3 Tasks and responsibilities</p> <p>3.1 Reporting to the Board of Directors.</p> <p>3.2 Submit recommendations and findings on matters raised by the Company's senior management to the Committee and discussed by the Committee to the Board of Directors.</p> <p>3.3 Follow up the performance of senior management and the extent of its commitment to the strategy set by the Board of Directors.</p>	
--	--

<p>3.4 Review and discuss the company's annual budget to be presented with recommendations to the Board of Directors.</p> <p>3.5 Discuss technical, administrative and marketing-related matters and make recommendations thereon to the Board of Directors.</p> <p>3.6 Recommend to the Board of Directors the internal financial powers of the Company granted to the CEO or third parties.</p> <p>4 Meetings</p> <p>4.1 The Executive Committee shall meet periodically when necessary, provided that it does not meet less than 6 meetings per year.</p> <p>4.2 The minutes of the meetings of the Committee and the signature of the Chairman and Secretary of the Committee shall be recorded in the official records.</p> <p>4.3 The minutes of the Committee meeting shall indicate the attendance, the topics discussed, the important consultations, the voting process and its results, the abstention (with reasons if any), the decisions taken and reservations</p>	
---	--

<p>made thereto, with all documents reviewed or referred to in the minutes of the meeting attached.</p> <p>4.4 The minutes of the meeting shall be distributed to the persons concerned within a maximum period of 15 days from the date of the meeting.</p> <p>4.5 A minimum of two members must be present for the Committee meeting.</p> <p>5 Rewards</p> <p>5.1 Each member is entitled to SAR 1,500 for attendance for each session of the Executive Committee meetings and an annual remuneration based on a resolution of the Board of Directors.</p> <p>1 Modulation</p> <p>1.1 A committee called the "Nomination and Remuneration Committee" shall be formed by a resolution of the Company's Board of Directors from non-executive members of the Board of Directors.</p> <p>1.2 The Chairman of the Board of Directors may not chair the Nomination and Remuneration Committee.</p>	
---	--

<p>1.3 The Committee shall consist of at least three members and shall include at least two independent members. Provided that its members are independent members of the Board of Directors, and non-executive members or persons who are not members of the Board may be used, provided that the Chairman of the Committee is independent.</p> <p>1.4 The term of office of the Nomination and Remuneration Committee shall commence from the date of selection of its members by the Board of Directors and shall extend until the end of the term of the Board of Directors that has been determined, and in the event of a vacancy in the position of one of its members during the session of the Committee, the Board of Directors shall appoint a replacement member to supplement the term of office.</p> <p>5.1 Committee members must have an appropriate level of ability to influence decisions made.</p> <p>1.6 The members of the Committee shall be kept abreast of the course of business, act in good faith and diligence, exercise the necessary</p>	
---	--

<p>professional care and abide by the relevant laws and regulations for the benefit of shareholders, insured and other stakeholders.</p> <p>1.7 Committee members must perform their duties away from any external influence, whether from inside or outside the Company. They must also not advance their personal interests or the interests of those who represent the interests of the company, shareholders and other stakeholders.</p> <p>1.8 Members of the Committee are prohibited from disclosing confidential information obtained as part of the exercise of their responsibilities to shareholders or the public outside of General Assembly meetings, or using any such information for personal benefit or private profit.</p> <p>1.9 The Committee may use specialized third-party consulting services to carry out its role, when needed, at the expense of the Company, after the approval of the Board of Directors.</p> <p>10.1 The Committee shall be chaired by a member of the</p>	
---	--



<p>Committee selected by a decision of the Board of Directors. In the event of his/her absence from the meeting of the Committee, one of the members present shall select one of them to chair the meeting of the Committee.</p> <p>2 Secretary</p> <p>2.1 The Committee shall appoint its Secretary within the period specified for it.</p> <p>2.2 The Secretary shall provide Members with advance notifications, send meeting schedules and related documents, and ensure that they are received within 10 working days prior to the Committee meeting.</p> <p>3 Tasks and responsibilities</p> <p>The functions and responsibilities of the Remuneration and Nomination Committee include:</p> <p>3.1 Submit its recommendations to the Board of Directors regarding the nomination of members of the Board of Directors and its committees in accordance with regulatory requirements, policies and procedures, and ensure that no candidate is convicted of violations</p>	
--	--

<p>or crimes related to honesty or honor.</p> <p>3.2 Review the skills required for membership of the Board and its committees on an annual basis and prepare descriptions of the required capabilities and qualifications, in addition to the period during which the member will exercise the functions of membership of the Board of Directors or its committees.</p> <p>3.3 Evaluate the structure and remuneration of the Board and its committees on a regular basis, identify weaknesses and make recommendations to address them.</p> <p>3.4 Evaluate and monitor the independence of the members of the Board of Directors and its committees and ensure that there is no conflict of interest and independence of independent members, at least once a year.</p> <p>3.5 Formulate clear policies for compensation and remuneration for members of the Board of Directors, its committees and senior management.</p>	
---	--

<p>3.6 Evaluate the performance of the members of the Board and its committees on a regular basis.</p> <p>3.7 Make recommendations to the Board of Directors regarding the appointment and dismissal of senior management members.</p> <p>3.8 Formulate the replacement policy and procedures for the CEO and key members of the Senior Management Committee and monitor the implementation and progress of the replacement plan.</p> <p>3.9 Supervise and review the compensation plan for senior management members.</p> <p>3.10 Make recommendations to the Board on matters relating to nominations and remuneration.</p> <p>3.11 Develop job descriptions for executive members, non-executive members, independent members and senior executives.</p> <p>4 Meetings</p> <p>4.1 The Nomination and Remuneration Committee shall meet periodically when necessary, provided that it shall not be less than two meetings during one year.</p>	
--	--

4.2 The minutes of the meetings of the Committee and the signature of the Chairman and Secretary of the Committee shall be recorded in the official records.

4.3 The minutes of the Committee meeting shall indicate the attendance, the topics discussed, the important consultations, the voting process, its rejection and abstention (with reasons, if any), the decisions taken and reservations thereto, with all documents reviewed or referred to in the minutes of the meeting attached.

4.4 The minutes of the meeting shall be distributed to the persons concerned within a maximum period of 15 days from the date of the meeting.

4.5 A minimum of two members must be present for the Committee meeting.

## 5 Rewards

5.1 Each member is entitled to an annual remuneration of a maximum of SAR 60,000 and SAR 1,500 for attendance at each meeting of the Nomination and Remuneration Committee.

<p>6 Candidacy Procedure</p> <p>A: The Remuneration and Nomination Committee shall, when nominating the members of the Board of Directors, take into account the provisions of the relevant laws and regulations.</p> <p>(b) The number of candidates for the Board of Directors whose names are presented to the General Assembly must exceed the number of seats available where the General Assembly has the opportunity to choose from among the candidates.</p> <p>A: The company shall publish the announcement of candidacy on the company's website, the market's website and in any other means determined by the supervisory authorities, in order to invite persons wishing to run for membership of the Board of Directors, provided that the nomination door remains open for at least one month from the date of the announcement.</p> <p>1 Modulation</p> <p>1.1 The Board of Directors shall select the members of the Investment Committee in</p>	
--	--

<p>accordance with the regulatory requirements and rules issued by the General Assembly.</p> <p>1.2 The Committee shall consist of at least three members and shall have the collective expertise necessary to accommodate important issues related to investment policy in accordance with Article 34 of the Investment Regulations issued by the Saudi Arabian Monetary Agency.</p> <p>1.3 The term of office of the Investment Committee shall commence from the date of selection of its members by the Board of Directors and shall extend until the end of the term of the Board of Directors. In the event of a vacancy in the position of one of its members during the session of the Committee, the Board of Directors shall appoint a replacement member to supplement the term of office.</p> <p>4.1 Committee members must have an appropriate level of ability to influence decisions made.</p> <p>1.5 The members of the Committee shall be kept informed of the course of business, act in good faith and</p>	
---	--

<p>diligence, exercise the necessary professional care and abide by the relevant laws and regulations for the benefit of shareholders, insured and other stakeholders.</p> <p>1.6 The members of the Committee shall perform their duties away from any external influence, whether from inside or outside the Company. They must also not advance their personal interests or the interests of those who represent the interests of the company, shareholders and other stakeholders.</p> <p>1.7 Members of the Committee are prohibited from disclosing confidential information obtained as part of the exercise of their responsibilities to shareholders or the public outside of General Assembly meetings, or using any such information for personal benefit or private gain.</p> <p>1.8 The Committee may use specialized third-party consulting services to carry out its role, when needed, at the expense of the Company, after the approval of the Board of Directors.</p>	
---	--

<p>1.9 The Committee shall be chaired by a member of the Committee selected by a resolution of the Board of Directors. In the event of his/her absence from the meeting of the Committee, one of the members present shall select one of them to chair the meeting of the Committee.</p> <p>2 Secretary</p> <p>2.1 The Committee shall appoint its Secretary within the period specified for it.</p> <p>2.2 The Secretary shall provide the members with advance notifications, send meeting schedules and related documents, and ensure that they are received within 10 working days prior to the Committee meeting.</p> <p>3 Tasks and responsibilities</p> <p>3.1 The functions and responsibilities of the Investment Committee include:</p> <p>A: Formulate the investment policy and review the progress of its implementation on a quarterly basis.</p> <p>(B) Monitor the performance of each asset by category.</p>	
---	--



<p>C: Monitor all investment policy risks.</p> <p>d. Submit the performance monitoring report to the Board of Directors.</p> <p>A: Ensure that all insurance activities comply with the requirements of the investment regulations issued by SAMA and all applicable laws and regulations.</p> <p>4 Meetings</p> <p>4.1 The Investment Committee shall hold its meetings periodically when necessary, provided that it is not less than 4 meetings during one year and one meeting during the quarter.</p> <p>4.2 The minutes of the meetings of the Committee and the signature of the Chairman and Secretary of the Committee shall be recorded in the official records.</p> <p>4.3 The minutes of the Committee meeting shall indicate the attendance, the topics discussed, the important consultations, the voting process, its rejection and abstention (with reasons, if any), the decisions taken and the reservations thereto, with all documents reviewed or</p>	
--	--

<p>referred to in the minutes of the meeting attached.</p> <p>4.4 The minutes of the meeting shall be distributed to the persons concerned within a maximum period of 15 days from the date of the meeting.</p> <p>5 Rewards</p> <p>5.1 Each member is entitled to SAR 1,500 for attendance for each meeting of the Investment Committee and an annual remuneration based on a resolution of the Board of Directors.</p> <p>1 Modulation</p> <p>1. A review committee shall be formed by a resolution of the ordinary general assembly of the company from the shareholders or others, provided that at least one of them is an independent member, and the member of the board of directors nominated for membership of the committee must be independent. The Chairman of the Board of Directors may not be a member of the Audit Committee or its Chairman.</p> <p>2. The Committee shall consist of at least three members and a</p>	
--	--

<p>maximum of five members, and shall have the necessary collective experience, the majority of whom shall be from outside the Board of Directors.</p> <p>3. The Audit Committee shall be appointed for a period of three years after obtaining the Foundation's written no-objection. The Audit Committee or one of its members may be renewed for another three years only once.</p> <p>4. The Board of Directors, after obtaining the Foundation's written no-objection, has the right to dismiss any member of the Audit Committee in the event that he loses the conditions of membership or commits violations of the relevant laws and regulations.</p> <p>5. A member shall be deemed to have resigned from the membership of the Audit Committee if he fails without an excuse acceptable to the Board to attend the meetings of the Audit Committee for more than three consecutive sessions.</p> <p>6. If the position of a member of the Audit Committee becomes vacant during the term of membership, the</p>	
--	--

<p>Board of Directors shall appoint, within a maximum period of one month from the vacancy of this position, another member of the vacant position.</p> <p>7. The membership of the member of the Audit Committee shall be terminated immediately if any change occurs that would violate the membership conditions contained in the relevant laws and regulations.</p> <p>8. The Chairman of the Audit Committee shall not have a kinship or financial or commercial relationship with any member of the Board of Directors.</p> <p>9. The Committee shall be chaired by a member of the Committee selected by a decision issued by the Board of Directors. In the event of his/her absence from the meeting of the Committee, the members present shall select one of them to chair the meeting of the Committee.</p> <p>10. A member of the Audit Committee has the right to resign, provided that he submits his resignation request in advance to the Board of Directors one month</p>	
---	--

<p>before the effective date of his resignation.</p> <p>2 Secretary</p> <p>2.1 The Audit Committee shall appoint a Secretary from among the Company's employees for the Committee's work cycle.</p> <p>2.2 The Secretary shall provide the Members with advance notifications, meeting schedules and related documents.</p> <p>3 Tasks and responsibilities</p> <p>The Audit Committee is responsible for monitoring the Company's business and verifying the integrity and integrity of its reports, financial statements and internal control systems. In particular, the functions of the Committee include:</p> <p>a. Financial Reports</p> <p>1. Study the company's interim and annual financial statements before presenting them to the Board of Directors and express an opinion and recommend them to ensure their integrity, fairness and transparency.</p>	
--	--

<p>2. Provide a technical opinion, at the request of the Board of Directors, on whether the report of the Board of Directors and the financial statements of the company are fair, balanced and understandable and include information that allows shareholders and investors to evaluate the company's financial position, performance, business model and strategy.</p> <p>3. Study any important or unusual issues included in financial reports.</p> <p>4. Thoroughly research any issues raised by the company's financial manager, his assume, the company's compliance officer or the auditor.</p> <p>5. Verifying accounting estimates in material matters contained in financial reports.</p> <p>6. Study the accounting policies followed in the company and express an opinion and recommendation to the Board of Directors thereon.</p> <p>b. Internal Audit</p>	
--	--

<ol style="list-style-type: none"><li>1. Study and review the internal and financial control systems and risk management in the company.</li><li>2. Study the internal audit reports and follow up the implementation of corrective actions for the observations contained therein.</li><li>3. Control and supervise the performance and activities of the internal auditor and the internal audit department in the company to verify the availability of the necessary resources and their effectiveness in performing the work and tasks entrusted to it.</li><li>4. Recommending to the Board of Directors the appointment of the Director of the Internal Audit Unit or Department or the Internal Auditor, proposing his remuneration and ensuring his independence.</li></ol> <p>c. Auditor</p> <p>The Company shall assign the task of auditing its annual accounts to an independent, competent, experienced and qualified auditor to prepare an objective and independent report to the Board of</p>	
--	--

<p>Directors and shareholders indicating whether the Company's financial statements clearly and fairly reflect the Company's financial position and performance in material respects.</p> <ol style="list-style-type: none"><li>1. Recommending to the Board of Directors the nomination and dismissal of auditors, determining their fees and evaluating their performance, after verifying their independence and reviewing the scope of their work and the terms of their contract.</li><li>2. Verify the independence, objectivity and fairness of the auditor, and the effectiveness of the audit work, taking into account the relevant rules and standards.</li><li>3. Review the company's auditor's plan and work, verify that he has not submitted technical or administrative work outside the scope of the audit work, and express its views thereon.</li><li>4. Answering the inquiries of the company's auditor.</li><li>5. Study the auditor's report and observations on the financial</li></ol>	
--	--



<p>statements and follow up on what has been taken in this regard.</p> <p>d. Ensuring compliance</p> <p>1. Review the results of the reports of the regulatory authorities and verify that the company has taken the necessary measures in this regard.</p> <p>2. Verifying the company's compliance with the relevant laws, regulations, policies and instructions.</p> <p>3. Review the contracts and transactions proposed to be conducted by the company with the related parties, and submit its views thereon to the Board of Directors.</p> <p>4. Submit any matters it deems necessary to take action to the Board of Directors, and make recommendations on the actions to be taken.</p> <p>4 Meetings</p> <p>4.1 The Audit Committee shall hold its meetings periodically when necessary, provided that it is not</p>	
---	--

<p>less than 6 meetings during one year.</p> <p>4.2 The minutes of the meetings of the Committee and the signature of the Chairman and Secretary of the Committee shall be recorded in the official records.</p> <p>4.3 The minutes of the Committee meeting shall indicate the attendance, the topics discussed, the important consultations, the voting process, its rejection, abstention (with reasons, if any), the decisions taken and the reservations thereto, with all documents reviewed or referred to in the minutes of the meeting attached.</p> <p>4.4 The minutes of the meeting shall be distributed to the persons concerned within a maximum period of 15 days from the date of the meeting.</p> <p>4.5 The Audit Committee shall meet periodically with the Company's auditor and the Company's internal auditor.</p> <p>4.6 The Internal Auditor and the Auditor may request a meeting with the Audit Committee whenever the need arises.</p>	
---	--

<p>4.7 The Audit Committee meeting shall only be held in the presence of at least two members</p> <p>5 Rewards</p> <p>Each member is entitled upon the recommendation of the Board of Directors and the approval of the General Assembly to an annual remuneration up to a maximum of SAR 60,000 and SAR 1,500 for attendance for each session of the Audit Committee meetings.</p> <p>6 Responsibility of the Board of Directors</p> <p>1. The Board of Directors shall be responsible for the work of the Audit Committee in accordance with the regulations and instructions under which the Company operates.</p> <p>2. The Board of Directors shall be responsible for ensuring the efficiency and effectiveness of financial systems and reports and maintaining the Company's assets.</p> <p>3. The Board of Directors and senior management of the Company shall provide all that is</p>	
--	--

<p>required of them to facilitate the work of the Audit Committee.</p> <p>4. The Board of Directors shall ensure that the Audit Committee performs the supervisory and supervisory role and does not exercise executive functions or work or take administrative decisions.</p> <p>7 Arrangements for submission of observations</p> <p>The Audit Committee shall establish a mechanism that allows employees of the company to submit their observations on any violation in financial or other reports confidentially. The committee shall verify the application of this mechanism by conducting an independent investigation commensurate with the magnitude of the error or override and adopting appropriate follow-up procedures.</p> <p>8 Conflict of interest</p> <p>1. A member of the Audit Committee may not have a direct or indirect interest in the business and contracts made for the company's account.</p>	
---	--

<p>2. A member of the Audit Committee may not participate in any business that would compete with the Company or trade in the activities carried out by the Company.</p> <p>9 Powers of the Audit Committee</p> <p>In order to perform its duties, the Audit Committee may:</p> <ol style="list-style-type: none"><li>1. The right to access the company's records and documents.</li><li>2. Request any clarification or statement from the members of the Board of Directors or the executive management.</li><li>3. Request the Board of Directors to convene the General Assembly of the Company if the Board of Directors obstructs its work or the Company suffers serious damages or losses.</li><li>4. The right to communicate directly with the Board of Directors, senior management of the company, legal advisors, internal and external auditors, and other parties related to the company.</li></ol>	
---	--

<p>5. The right to use any consulting body from outside the company to carry out specific tasks in order to assist it in performing its work.</p> <p>10 Audit Committee Report</p> <p>1. The report of the Audit Committee shall include details of its performance of its competencies and tasks stipulated in the Companies Law and its implementing regulations, provided that it includes its recommendations and opinion on the adequacy of the internal and financial control systems and risk management in the company.</p> <p>2. The Board of Directors shall deposit sufficient copies of the Audit Committee's report at the Company's head office, and shall publish it on the Company's website and the Market's website when the invitation to convene the General Assembly is published to enable shareholders to obtain a copy thereof. The summary of the report will be read out during the General Assembly.</p> <p>11 Rules for the selection of members of the Audit Committee</p>	
---	--

<ol style="list-style-type: none"><li>1. At least two members of the Committee, including the Chairman of the Committee, must possess recent and relevant experience in accounting and financial management.</li><li>2. The member of the Board of Directors nominated for membership of the Committee must be independent.</li><li>3. A member of the Audit Committee must not be a member of the Board of Directors or the Audit Committee of any other company operating in the insurance sector in the Kingdom of Saudi Arabia.</li><li>4. No member of the Audit Committee may serve concurrently on audit committees of more than four public companies.</li><li>5. The committee member must not be a member of the boards of directors, managers, employees, consultants, employees or representatives of the parties related to the company.</li><li>6. A person who has been or has been working during the past two years in the executive or financial</li></ol>	
--	--

<p>management of the company, or for the company's auditor, may not be a member of the Audit Committee.</p> <p>12 Conflict between the Audit Committee and the Board of Directors</p> <p>If there is a conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors, or if the Board refuses to take into account the Committee's recommendation regarding the appointment of the Company's auditor, his dismissal, determination of his fees, evaluation of his performance or the appointment of the internal auditor, the report of the Board of Directors shall include the Committee's recommendation, justifications, and reasons for not taking them into account.</p> <p>1 Modulation</p> <p>1. The Board of Directors shall form the members of the Risk Management Committee in accordance with the regulatory requirements and rules issued by the General Assembly.</p>	
--	--



<p>2. The Committee shall consist of at least three members, chaired by an Executive Member, and shall have the necessary collective experience.</p> <p>3. The term of membership of the Risk Management Committee shall commence from the date of selection of its members by the Board of Directors and shall extend until the end of the term of the Board of Directors that has been determined. In the event of a vacancy in the position of one of its members during the session of the Committee, the Board of Directors shall appoint a replacement member to supplement the term of office.</p> <p>4. The Committee shall be chaired by a member of the Committee selected by a decision issued by the Board of Directors. In the event of his/her absence from the meeting of the Committee, the members present shall select one of them to chair the meeting of the Committee.</p> <p>2 Secretary</p> <p>1. The Risk Management Committee shall appoint a secretary from the Company's employees for the Committee's work cycle.</p>	
---	--

<p>2. The Secretary shall provide the members with advance notifications, and send meeting schedules and related documents.</p> <p>3 Tasks and responsibilities</p> <p>The tasks and responsibilities of the Risk Management Committee include:</p> <p>1. Identify the risks to which the company may be exposed and maintain an acceptable level of risk for the company.</p> <p>2. Supervise the company's risk management system and evaluate its effectiveness.</p> <p>3. Develop a comprehensive risk management strategy and follow up on its implementation, review and update based on the internal and external variables of the company.</p> <p>4. Review the risk management policy.</p> <p>5. Reassess the company's ability to bear risks and its exposure to them periodically.</p> <p>6. Submit detailed reports to the Board of Directors on risk exposure</p>	
--	--

<p>and proposed steps to manage these risks.</p> <p>7. Make recommendations to the Board on issues related to risk management.</p> <p>8. Ensure the availability of adequate resources and risk management systems.</p> <p>9. Review the issues raised by the Audit Committee that may affect the company's risk management.</p> <p>4 Meetings</p> <p>1. The Risk Management Committee shall meet periodically with a minimum of 4 meetings per year, and whenever the need arises.</p> <p>2. The minutes of the meetings of the Committee and the signature of the Chairman and Secretary of the Committee shall be recorded thereon in the official records.</p> <p>3. The minutes of the committee meeting shall indicate the attendance, the topics discussed, the important consultations, the voting process, its rejection, and abstention (with reasons, if any, the decisions taken and reservations thereto, and attach all documents</p>	
---	--

that have been reviewed or referred to in the minutes of the meeting.

4. The minutes of the meeting shall be distributed to the concerned persons within a maximum period of 15 days from the date of the meeting.

#### 5 Rewards

Each member is entitled to SAR 1500 for attendance for each session of the Risk Management Committee meetings and an annual remuneration based on a decision of the Board of Directors

#### Clarification:

The amended policies cancel and replace the previous policy after being approved by the Board of Directors and the General Assembly of the Company