



اسمنت ينبع
Yanbu Cement



Quality of Production,
Reliability of Supply

Annual Report

Board of Directors Report 2023

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



**Custodian of the Two Holy Mosques King
Salman Bin Abdulaziz Al-Saud**



**His Royal Highness Prince
Mohammed bin Salman bin Abdulaziz,
Crown Prince and Prime Minister**



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01



Company Overview



Chairman of the Board of Directors Statement

Mr. Fahd bin Sulaiman Al-Rajhi

Ladies and Gentlemen / Shareholders of Yanbu Cement Company,

May the peace, blessings and mercy of Allah be upon you,

On my own behalf and my fellow members of the Board of Directors, it is my honor to welcome you and present the annual report of Yanbu Cement Company (YCC), which presents the company's prominent business, activities and financial results during the fiscal year 2023. The company is proud of the achievements attained during this year, first with the grace of Allah Almighty, then thanks to good planning, a clear vision, a sound strategy, and the efforts made by the Board of Directors, its specialized committees, and the executive management. The company achieved sales of SAR 780,545,425 and net profits of SAR 119,921,196 despite the challenges and difficulties faced by the cement sector during 2023 and due to the decline in selling prices in the local market and the major challenges in the export markets

YCC ensures that its responsibility towards social and environmental practices and corporate governance in parallel with its daily business, strategic plans, products and activities development, and development of the skills and capabilities of its human capital and promising leadership employees according to a sound approach is in line with (Saudi Arabia Vision 2030), to enhance the Kingdom's competitiveness, enrich its Economical and Developmental role, and increase the effectiveness of the contribution to the gross domestic product.

It should be noted that the year 2023 was combined of two Board of Directors terms, since the previous term ended on 29/06/2023 and the new Board members took over. I would like to take this opportunity to thank the previous Board members for all their sincere efforts and to wish the Board members for the new term good luck and success in performing their responsibilities and being the best successor to the best predecessor.

I would like to take this opportunity to extend my thanks and gratitude to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, His Royal Highness Prince The Crown Prince Mohammed bin Salman bin Abdulaziz - may Allah save them - for their unlimited support, encouragement and care extended to the national industries. YCC's achievement of its successes throughout its journey wouldn't have been possible but for the wise and inspiring vision of our wise leaders.

Thanks to my fellow members of the Board of Directors, executive management, and YCC's personnel, asking Allah the Almighty to spread goodness and development throughout our dear homeland.

In conclusion, thanks to Allah the Almighty to have succeeded in performing our tasks and responsibilities, wishing that the results have achieved your satisfaction.

May peace, blessings, and mercy of Allah be upon you

Chairman of the Board of Directors



CEO's Statement

Ali bin Abdullah Alayed

Dear shareholders

May peace, blessings, and mercy of Allah be upon you,

Praise be to Allah and his success, Yanbu Cement Company succeeded in achieving many of its goals during 2023 leading to the materialization of its long-term strategic plan that was made in consistence with YCC's vision, mission and values. YCC's strategy is based on several main cornerstones centered around increasing YCC's maturity in governance, risks, compliance and institutional excellence as well as business development and diversification with a focus on sustainability in all operations and projects.

YCC has achieved very good operational results, despite the intensity of local competition and market conditions externally, while continuing to reduce costs in addition to expanding the scope of its business by entering into new markets and the ability to attract new customers at the local and international levels. YCC's clinker products have reached the markets of

Colombia, Brazil, Dominican , Cameroon, Ivory Coast, Benin and Tanzania.

YCC maintained its compliance to ethical standards towards enhancing environmental and societal sustainability, by drawing standards for sustainability and adopted environment friendly practices in production processes through the optimal use of the (WHR) system, in addition to launching a green cement product, which is manufactured from environment friendly raw materials that reduces carbon dioxide emissions and enhances the energy efficiency used in its production compared to other types of cement, in addition to having a higher ability to resist corrosion and environmental impacts, which enhances the life of the cement structure. YCC continues to maintain the highest standards of quality, safety, security and efficiency through our constant pursuit of excellence in all aspects of our operations, promoting a culture of innovation, continuous improvement in our technologies, and providing products and services that meet the needs of our customers.

Based on our belief in the importance of all YCC's employees as partners in success, YCC carefully selects and invests in them. YCC also follows a professional ethical approach characterized by mutual trust, respect, integrity, and responsibility. YCC provides an attractive work environment, enhances employee training, development programs as well as national talents development programs, which enhances YCC's contribution to increasing job localization rates in order to achieve its national vision targets.

In conclusion, I proudly extend my sincere thanks and gratitude to our wise leadership, to YCC Board of Directors and its specialized committees for their support of YCC's executive management, and my thanks to YCC's employees for their distinguished efforts as well. I also thank the shareholders and investors for their continued trust, and we will be always the first choice for our partners.

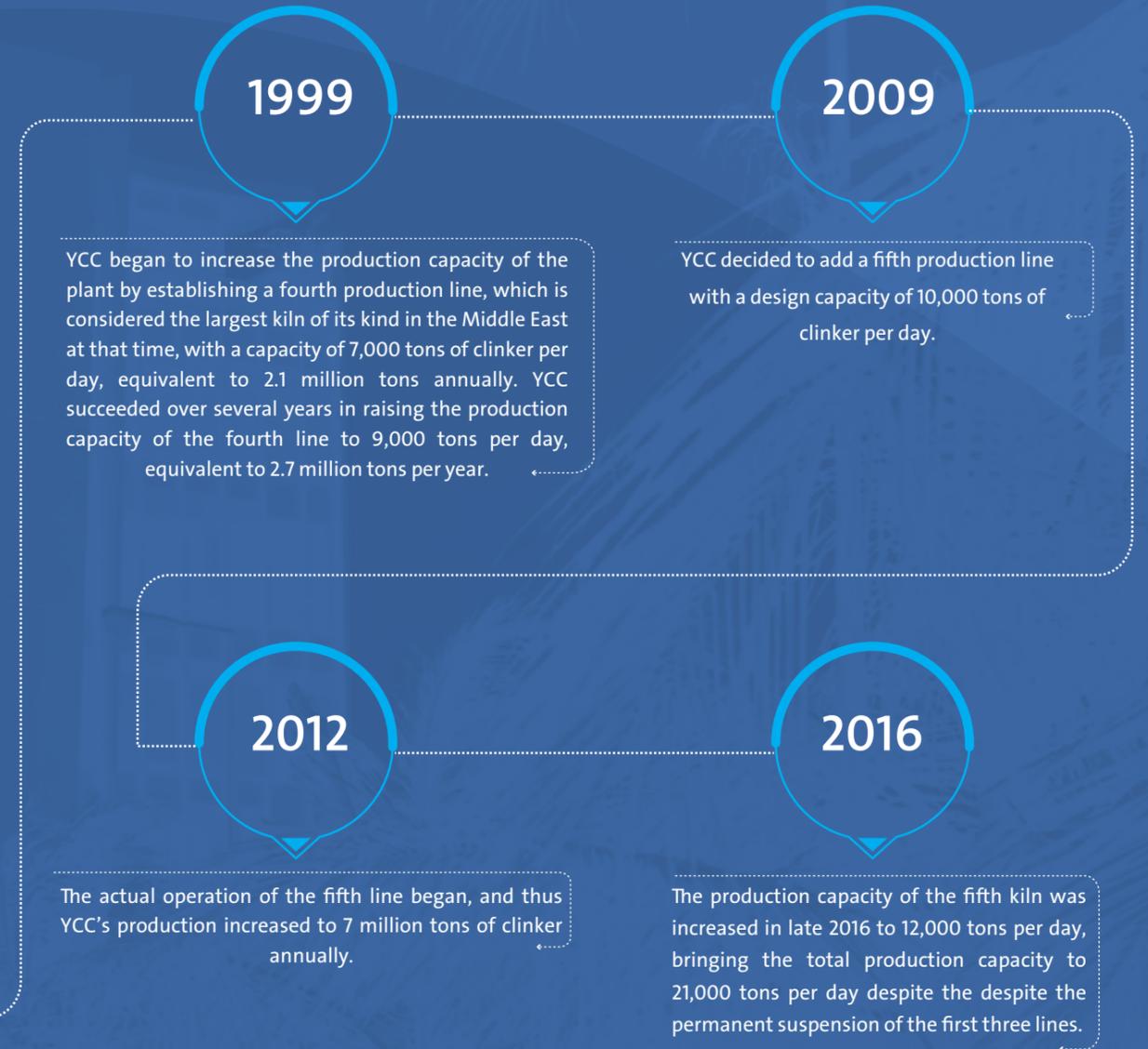
Chief Executive Officer

Company Overview

Yanbu Cement Company (YCC) is a listed Saudi joint stock company with a paid-up capital of one billion five hundred and seventy-five million Saudi riyals. YCC is classified among the top 50 distinguished national companies. It is one of the largest cement manufacturers in the Kingdom of Saudi Arabia and the largest cement company in the Western Region, as its clinker production capacity reaches twenty-one thousand tons per day and seven million tons annually, given that its capacity in cement packing and delivery reaches thirty thousand tons per day.

The head office is located in Jeddah Governorate, while YCC's plant is located to the north of Yanbu Governorate, in the Ras Baridi area on the Red Sea coast. It encompasses an industrial complex and integrated residential complexes that provide all basic needs, including educational and health services, in addition to recreational services such as gardens, green areas, a sports center, and a beach.

YCC Success Journey



Up to this day, Yanbu Cement Company (YCC) is still achieving a high percentage of the goals of the Fourth Industrial Revolution initiatives, and continues its endeavor to use artificial intelligence programs based on the latest technologies in this field. YCC is committed to its leadership role as a role model in environmental sustainability by reducing the emissions of CO₂, which has been achieved through process optimization, increased automation and energy efficient solutions such as exploiting wasted thermal energy and utilizing renewable energy.



Our Vision

To be always the first choice for our partners.



Our Mission

Maintain quality in our production, reliability in supply while caring for people and preserving environment within our surroundings.



Our Values

YCC has integrated its values into all its work and culture in order to achieve the highest standards of ethical behavior and to become a reference upon which all of our practices are based and ensure the success of our strategic objectives.

- Commitment to performance standards
- Providing ideal working environment
- Adherence to ethical values
- Fulfilling our social responsibility
- Respecting environmental values
- Supporting initiatives and innovation

Company's Strategy

In our pursuit to achieve development, growth, and aspirations of investors and stakeholders, Yanbu Cement Company (YCC) pays great attention to the future vision and developing strategic plans to encounter potential challenges and keep pace with economic developments.

We are always committed to be the first choice for our partners, and we continue to move forward in our success and strategic progress, in line with the goals of Saudi Vision 2030.

YCC is fully aware of the necessity of adapting to changes in the market flexibly, with a focus on providing products and services that cares for the environment and people in our surroundings. The increasing confidence of our shareholders and partners day after day pushes YCC to

shoulder more responsibility to achieve their expectations in maintaining performance values, providing an ideal work environment, adhering to ethical standards, caring for society, respecting environmental values, and supporting innovations and initiatives.

YCC has doubled its efforts to improve the professional labor framework concerned with achieving the highest quality standards in production, and enhancing partners' confidence in supply, through a strategy that ensures long-term success and flexibility in the light of the rapid development of the labor market. The strategy was implemented in January 2023, which was mainly focused on governance, business growth and diversification, sustainability, maturity and business excellence.

The governance cornerstone ensures transparency, accountability and ethical behavior throughout YCC, and aims to enhance governance practices by establishing clear policies, procedures and guidelines that promote a culture of integrity and compliance.

In order to achieve growth and business diversification, we focus on expanding our portfolio and diversifying revenue sources, which includes exploring new markets, developing innovative products and services, and leveraging emerging technologies. YCC will also invest in market research and analysis to identify growth opportunities and develop strategies to seize them. In addition, we are working on strengthening strategic partnerships and collaborations to enhance our market presence and expand our customer base.

Aware of the importance of environmental and social responsibility, the sustainability cornerstone aims to create long-term values for our stakeholders while contributing to a better and sustainable future. The strategy aims to work on continuous improvement in all aspects of YCC operations to achieve excellence in work and maturity. This includes continuing to improve development studies at all levels, enhancing YCC's competitiveness and making all necessary preparations to ensure the ability to continue export operations to exploit operational capacity, supporting digital transformation projects and initiatives to develop and raise efficient performance of all sectors of YCC.

Support Local Content

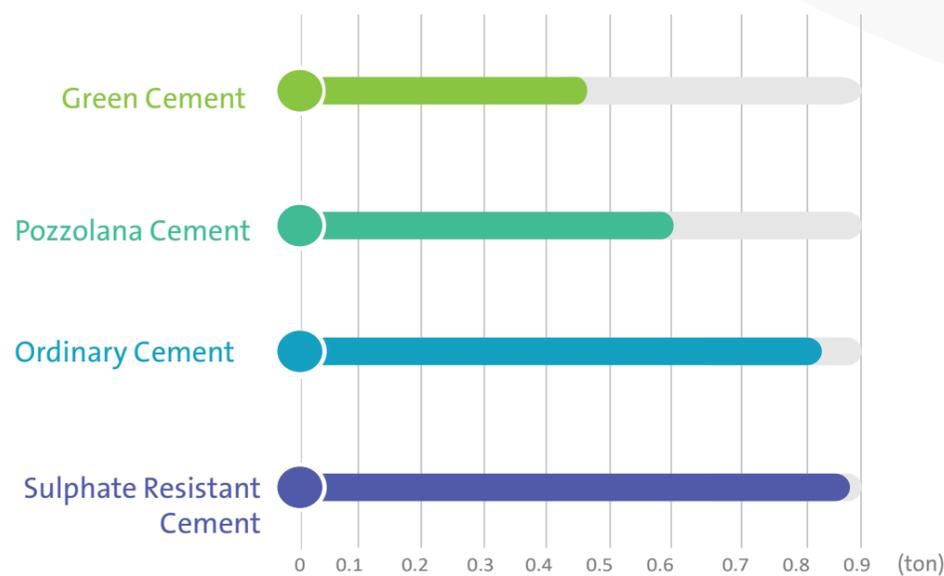
YCC believes in the importance of local content in the national economy and infrastructure in the Kingdom of Saudi Arabia, and we assume a fundamental and pivotal role in enriching local content and giving preference to national products and establishments in order to maintain the greatest amount of expenses within the Kingdom. YCC relies on contributing to support local content through several main cornerstones, such as building a strategy to develop sustainable local content, supporting and localizing industries to support the cement industry developing and localizing the local workforce, supporting national initiatives and innovations, and making the development of local content part of YCC's identity. In addition to determining performance indicators, training Saudis, benefiting from local components of goods and services, national sources of assets, developing suppliers, and national research and innovations, YCC still continues to achieve its goals in line with best practices for supporting local content.

Our Products

Environment friendly green cement

Yanbu Cement Company launched an environmentally friendly green cement product in order to achieve one of its strategic cornerstones of reducing carbon dioxide emissions in addition to manufacturing more advanced products that meet market needs and are in line with general trends towards environmental sustainability. YCC intensified its research in the field of new low-clinker cement, and what distinguishes it is Green cement contains complementary natural materials obtained entirely from the Kingdom of Saudi Arabia, which contribute to creating environmentally friendly concrete, by replacing a percentage of ordinary Portland clinker with natural materials, which leads to a reduction of carbon dioxide by 27% compared to concrete manufactured using Ordinary Portland cement.

CO2 emissions of one cement ton production



YCC offers a range of different products of high quality that exceeds their counterparts in the Saudi market and at a competitive price that suits all customers, which makes YCC products achieve the optimal equation, i.e. high quality and competitive price. In the light of enhancing the YCC's efforts in preserving the environment, and its keenness to be of national quality with high standards. YCC also conducted a study to replace paper bags with environmentally friendly plastic bags for packaging cement, so that YCC remains the customer's first choice in the cement sector in the Kingdom.



02



**Environmental and Societal
Sustainability**

Environmental and Societal Sustainability

In 2023, YCC excelled in tangible progress and positive impact by achieving its sustainable environmental and social goals, and our ambitious aspirations and achievements in the field of sustainability awareness contributed to adding effective value to YCC and all stakeholders. YCC adopts the latest technologies and protocols to reduce environmental impact, reduce energy consumption, diversify sources, and rationalize the use of liquid fuel in manufacturing processes and

various activities. These initiatives are the cornerstone of YCC's efforts to promote sustainable development and preserve the environment. YCC endeavors to achieve sustainability goals by applying the best environmental practices in all aspects of its work, as well as developing new initiatives to achieve sustainable development in the field of cement production and industry.



Environmental Sustainability

Carbon Dioxide Emissions Reduction:

Through the promising vision of the Kingdom of Saudi Arabia and its keenness to raise production efficiency and achieve optimal energy utilization while giving priority to environmental sustainability, the waste heat recovery system was adapted to reduce energy demand by 25% from fossil fuels, which has actually led to our success in reducing our carbon footprint and carbon dioxide emissions by 100,000 tons/year. We place the efforts to protect the environment and natural resources as our top priority in everything we do.

In a proactive step towards greater sustainability, YCC participated in the global auctions held by the Regional Voluntary Carbon Market Company, which offers carbon credits that are in line with (CORSIA) standards registered in the (VERA) program . To Sale for from the Kingdom of Saudi Arabia and abroad. This initiative confirms YCC's dedication to contributing in environmental responsibility and aligning its strategy with the global transition to carbon neutrality.



Turtle Reserve Development Project Ras Buridi Turtle Reserve Initiative

The Red Sea coast is one of the most important marine areas in terms of environmental diversity and the formation of natural reserves. Yanbu Cement Company has paid attention to marine life in the Red Sea because it is home to the rarest species of turtles, as five species of turtles reside on the Kingdom's shores, including two species that are threatened with extinction, such as the hawksbill, green sea turtles green turtles for several reasons, including overfishing, exposure to predation, and being affected by plastic waste. These species nest in Ras Buridi area on the banks of the Red Sea. From the standpoint of environmental awareness and social responsibility, Yanbu Cement Company participated in the initiative to preserve Ras Buridi Turtle Reserve due to the danger of extinction that threatens these diverse and rare turtles existing at the initiative site. The initiative was named after the area in which it is located. This initiative aims to educate on the importance and seriousness of turtle extinction on Local and international levels, and developing the visitor experience That is equivalent to other international reserves levels with architectural designs inspired by turtles and built from local and environmentally friendly materials. The reserve includes an incubator for baby turtles developed to increase nesting rates, preserve them, and protect them from encroachment and hunting, so that the turtles can preserve eggs during the incubation period, which ranges from Between six and seven weeks buried under half a meter of sand. In light of this cooperation, YCC provides logistical support for the initiative and contributes to the development of the visitor center inside the reserve. Since the initiative pays attention to the smallest details in order to ensure its goals, all the lighting on the plant beach has been changed with special lighting to ensure that baby turtles are not distracted from using the moonlight to head towards the sea away from threats, in addition to preparing and planting the areas surrounding the turtle area.

Societal Sustainability

Based on YCC's awareness of its role and social responsibility (CSR), it has adopted a set of practices and behaviors aimed at achieving sustainable development and contributing to the well-being of the communities in which it operates. Corporate social responsibility considered important for several reasons:

1. Enhancing confidence and building positive relationships.
2. Achieving sustainable development.
3. Compliance with international legislation and standards.
4. Creating shared value for companies and the communities in which they operate, as we are an integral part of them and we affects and affected by them

Believing in YCC's role of being the first, trustworthy and honest supporter, this responsibility constitutes an essential pivot in YCC's strategy and an essential part of its value system for many segments of society. From this standpoint, YCC continues to provide financial and moral support to many charitable organizations, in addition to community contributions in several entities, such as :

01 AL Madinah AL Munawwarah

- Association of Disabled Children
- Hayat Charity Association
- Alshifa Endowment
- Wahat-Taibah Endowment for Speech

02 Yanbu

- The Charitable Association for the Memorization of the Noble Qur'an at Yanbu Industrial
- Civil Defense
- Yanbu Chamber of Commerce and Industry
- The Federation of Saudi Chambers
- Etmaen Center for family counselling

03 Umluj

- Al Bir Charity Association of Al Hasi
- Al Bir Charity Association of Al Rweedat

04 Makkah

- Namaa Charity of Makkah
- Bassim Suliman Khayyat Charitable Center for Dialysis

05 Al-Ula

- Al Bir Charity Association of Mugaira

06 Badr

- The Charitable Association for the Memorization of the Noble Qur'an
- Takaful Charitable Association for Orphans Care

Empowering Our Employees

YCC is proud of its employees as they are its true wealth and the cornerstone of its success in achieving YCC's strategic goals in an environment characterized by motivation, empowerment, encouragement, and continued consolidation of its position at the local and global levels. YCC is keen to create an appropriate and safe environment to enhance the capabilities of employees and provide well-being to them. YCC has endeavored to create a work environment in which opportunities are fairly equal. In this regard YCC participated in sponsoring the fifth forum for Gulf Businesswomen under the slogan "Gulf Women between Empowerment and Leadership" in line with support and empowerment of women in society, in order to achieve the desired goals and contribute to the caring for our staffs, managing their affairs, raising their productivity, reviewing their performance, and directing the energy of workers towards the vision of YCC.

Quality of Life of Our Employees

Human Resources pays attention to the quality of life for the employee and his family and improving the services provided to them by the highest standards. where Cultural, entertainment and sports committees have been activated, all occasions are being celebrated and employees are motivated with competitions and challenges to raise the level of well-being. The level of catering services are also improved while taking into account the different culters and diversity among employees. in addition to contracting with companies that care to provide the best quality of all required services in a way that suits employees and their families. In terms of the employee and his family health, the services provided in the medical clinic have been improved, all support and services have been provided in the emergency and first aid unit, and medical services have also been provided to the people of the villages adjacent to the plant.

Abilities and Talents' Building

One of YCC's goals is to attract talents in various fields, as the number of the attracted employees has reached 64 in specialized jobs, and to support them and enhance their skills through development and training, whether inside or outside YCC, and to enable them to have the necessary tools for their success to keep pace with the most important global and technical developments. Also, 18% of the total employees were trained, in addition, the fourth batch was trained at the Cement Knowledge Center for Training which included 8 specialized engineers who were employed by YCC after their graduation. Male and female university students were also supported and everything necessary for cooperative training was facilitated, including providing appropriate educational and training opportunities and providing the necessary guidance and support to qualify them for the labor market.

Nationalization of the Workforce

Based on YCC's keenness and goals towards supporting the Kingdom of Saudi Arabia's Vision 2030, in supporting local content, which is one of its most important cornerstones of Nationalizing the Saudi workforce, YCC is proud that 52% of its employees are now Saudis, and YCC continues to empower national staffs with skills and the necessary knowledge that will distinguish them at the corporate level in the Kingdom.

Safety and Development of the Work Environment

The safety of YCC's employees, reducing accident rates, and enhancing security and safety are essential goals of continuous improvement plans that extend from developing the work environment, consolidating good relations, and solving problems between employees, all the way to achieving job satisfaction, maintaining a positive work environment, and ensuring compliance with the laws and regulations related to employees and their rights. On the other hand, YCC is still continuing to improve all the services provided to employees and their families in order to provide them with important advantages to attract employees, their stability and loyalty, and to attract distinguished talents to YCC. Based on this standpoint YCC has headed to developing plans and strategies to implement the human resources transformation project, which will bring about a quantum leap in improving the work environment. Which will be reflected in the employees' performance in line with the strategic goals and keeping pace with the Kingdom of Saudi Arabia's Vision 2030.



Financial Performance Summary



Financial Performance Summary

YCC's assets, liabilities, and business results in the financial years from 2019 to 2023.

Comparison of business results (Thousand SAR)

Description	2019	2020	2021	2022	2023
Revenues	975,736	939,988	934,026	981,168	780,545
Revenues Costs	(640,936)	(598,206)	(710,419)	(704,727)*	(591,343)
Total profit	334,800	341,782	223,607	276,441	189,202
Net profit	257,823	281,022	159,557	215,407	119,921

(*) Reclassification

Assets & Liabilities Comparison (Thousand SAR)

Description	2019	2020	2021	2022	2023
Current Assets	928,283	994,122	806,699*	916,200	1,075,532
Non- Current Assets	2,762,244	2,635,324	2,586,113	2,433,087	2,292,020
Total Assets	3,690,527	3,629,446	3,392,812*	3,349,287	3,367,552
Current Liabilities	252,671	492,052	391,125	387,668	543,785
Non- Current Liabilities	135,895	108,726	169,522	192,929	171,761
Total Liabilities	388,566	600,778	560,647*	580,597	715,546

(*) Reclassification

Material variations in the operational results for the results of the previous year (Thousand SAR)

Description	2022	2023	Variations	Variation %
Revenues	981,168	780,545	(200,623)	(20.45%)
Cost of Revenue	(704,727)*	(591,343)	(113,384)	(16.09%)
Total Profit	276,441	189,202	(87,239)	(31.56%)
Other operational expenses	(51,437)	(62,994)	11,557	22.47%
Operational Profit/(Loss)	225,004	126,208	(98,796)	(43.91%)

(*) Reclassification

Loans and total indebtedness statement of the Company and its Subsidiaries

The below table shows the loans obtained by YCC and the repayment movement during 2023 (SAR)

Company	Creditor's Name	Amount of principal debt	Loan term	Amounts paid in repayments of loans Remaining amount during the year	Remaining amount	Total indebtedness of YCC and subsidiaries
YCC	Saudi Al- Awwal Bank (SAB)	70,000,000	3 years	10,000,000	60,000,000	60,000,000
YCC	Gulf International Bank (7) *	80,000,000	Early Repayment	80,000,000	-	-
YCC	Saudi Al-Awwal Bank (SAB)	35,000,000	5 Years	5,250,000	29,750,000	29,750,000
YCC	Saudi National Bank (SNB)	100,000,000	1 year	-	100,000,000	100,000,000
YCC	Saudi Export-Import (EXIM) Bank	75,000,000	1 year	-	75,000,000	75,000,000
YCC	Saudi Export-Import (EXIM) Bank	75,000,000	1 year	-	75,000,000	75,000,000
YCC	Banque Saudi Fransi	50,000,000	6 months	50,000,000	-	-
YCC	Gulf International Bank	35,000,000	6 months	35,000,000	-	-
YCC	Gulf International Bank	20,000,000	3 months	20,000,000	-	-
YCC	Saudi Al-Awwal Bank (SAB)	30,000,000	6 months	30,000,000	-	-
YCC	Saudi Al-Awwal Bank (SAB)	49,500,000	6 months	-	49,500,000	49,500,000
YCC	Saudi Al-Awwal Bank (SAB)	25,000,000	3 months	25,000,000	-	-
YCC	Al-Bilad Bank	40,000,000	3 months	40,000,000	-	-
YCC	Gulf International Bank	40,000,000	3 months	40,000,000	-	-
YCC	Banque Saudi Fransi	44,000,000	3 months	44,000,000	-	-
YCC	Banque Saudi Fransi	25,000,000	3 months	-	25,000,000	25,000,000

Banking facilities for YCC's operations in accordance with the provisions of Islamic Sharia (Islamic Commercial Facilities)

1. During 2023, YCC signed working capital financing facilities with the Banque Saudi Fransi amounting to 200 million Saudi riyals.
2. During 2023, YCC signed working capital financing facilities with Gulf International Bank amounting to 130 million Saudi riyals.
3. During 2023, YCC signed working capital financing facilities with the National Bank of Saudi Arabia amounting to 150 million Saudi riyals.
4. During 2023, YCC signed working capital financing facilities with SAB Alawwal Bank amounting to 35 million Saudi riyals.
5. During 2023, YCC signed working capital financing facilities with Bank Al Bilad amounting to 200 million Saudi riyals.
6. During 2023, YCC signed working capital financing facilities with the Saudi Export-Import Bank amounting to 150 million Saudi riyals.
7. During 2021, YCC signed medium-term financing facilities over five years with Gulf Bank amounting to 100 million Saudi riyals to upgrade the fourth line. 20 million Saudi riyals were paid, in 2022, and the rest of the amount was paid in 2023 through financing from SAB Alawwal Bank at better prices and same duration. 10 million were paid in 2023.
8. During 2022, YCC signed medium-term financing facilities with SAB Alawwal Bank amounting to 35 million Saudi riyals to acquire 40% of Shuaiba Paper Products Company's share in Yanbu Saudi-Kuwaiti Paper Products Company, repayable in installments until 2028. 5.25 million were paid in 2023.

Paid and Outstanding Statutory Payments

(Thousand SAR)

Description	2023		Brief Description	Reasons
	Paid amount	Outstanding amount until the end of the annual financial period		
Zakat	14,658	13,976	Payment of zakat due for 2022 and the withholding tax due during 2023	YCC is subject to the regulations of the Zakat, Tax and Customs Authority.
Value Added Tax (VAT)	47,251	3,532	Payment of value added tax	YCC is subject to the regulations of the Zakat, Tax and Customs Authority.
Customs Fees	3,528	-	Payment of customs duties	YCC is subject to the regulations of the Zakat, Tax and Customs Authority.
General Organization for Social Insurance	12,709	1,171	Payment of social insurance contributions fees	YCC is subject to the regulations of the General Organization for Social Insurance (GOSI)
Visa and Passport Costs	1,174	-	Payment of visa and passport costs	YCC is subject to the regulations of the Ministry of Human Resources and Social Development and the Ministry of Interior.
Fees for the exploitation of raw materials Quarries	148,020	10,343	Surface rental and exploitation fees for the franchise rights granted to YCC	YCC is subject to the regulations of the Ministry of Industry and Mineral Resources (Mining Investment Law)
Total	227,340	29,022		

YCC Dividends Distribution Policy

YCC's annual net profits are distributed as follows:

- (10%) of the net profits shall be set aside to form YCC's statutory reserve, and the ordinary general assembly may decide to stop it when the aforementioned reserve reaches (30%) of the paid-up capital.
- The Ordinary General assembly, based on a proposal from the Board of Directors, may set aside (5%) of the net profits to form a consensual reserve to be allocated to whatever the assembly decides.
- The Ordinary General assembly may decide to form other reserves, to the extent that serves the interest of YCC or ensures the distribution of fixed profits as much as possible to shareholders. the mentioned assembly may also deduct amounts from the net profits to establish social institutions for YCC's employees or to assist existing institutions.
- The remainder is then distributed to shareholders at a percentage of no less than (5%) of YCC's paid-up capital.
- The remainder of the profits (or part thereof) after disbursing the Board of Directors' remuneration may be distributed as an additional share to shareholders or carried over, or any part thereof, based on the proposal of the Board of Directors to the next fiscal year and as decided by the Ordinary General assembly.
- The Board of Directors may distribute interim dividends to YCC's shareholders on a semi-annual or quarterly basis in accordance with the controls issued by the Capital Market Authority (CMA), based on an (annual) authorization issued by the Ordinary General assembly.

Dividend distribution for 2023 (SAR)

Statement	Profits distributed for the first half of 2023	Profits distributed for the Second half of 2023*	Total
Disbursement date	June 30, 2023	-----	
Dividend ratio to the nominal share value	15%	-	15%
Total	SAR 236,250,000	-	SAR 236,250,000

* In 24 March 2024 the Board of Directors issued a resolution to not distribute the cash dividends for the second half of the fiscal year 2023, in order to support the Financial center.

Opinion of the Audit Committee

The audit committee's opinion on the soundness of the financial and administrative systems

The Committee did not notice any matter that would make it believe that there is a material default that requires disclosure regarding the soundness of the financial and administrative systems and what is related to the preparation of financial statements and reports. The Committee also confirms that the control systems are working efficiently and effectively and that all observations and recommendations that were submitted to it have been dealt with as necessary.



04



Operational Performance Summary



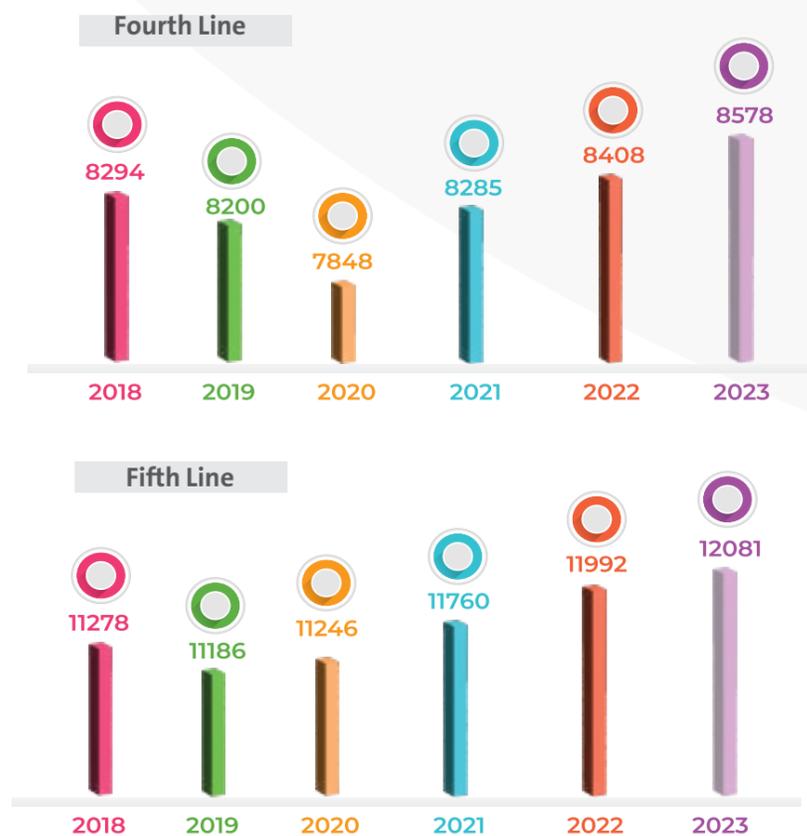
Operational Excellence:

In the context of the 2025 strategy, Yanbu Cement Company succeeded in enhancing its operational excellence by adopting the latest methods in digital transformation and sustainability technology. Therefore, an effective model for operational excellence was developed that relies on the latest technology means, where the digital transformation strategy was adopted as a main focus for improving operational processes, and using AI solutions to analyze data faster and more accurately, leading to accelerating decision-making processes and enhancing overall plant efficiency. Intelligent visualizations are used to make complex data easier to understand and present more visually to operational teams. This concept has contributed to enhancing internal communication and motivating teams to make informed decisions.

The concepts of agility, flexibility, and continuous improvement (kaizen) were integrated by strengthening the structural organization of the factory, which contributed to adapting to rapid transformations in the work environment and achieving improvements in the cost of production. Thanks to these transformational efforts, YCC witnessed an increase in production by 14% between 2020 and 2023. This reflects the tangible development in production processes and the ability to deal with challenges effectively.

Yanbu Cement Company also pledges to continue developing and using sustainability technologies to enhance excellence in all its operations and achieve its strategic goals. YCC continues to explore opportunities to improve efficiency and enhance technology to achieve sustainable growth in the future.

The Average Daily Production of Clinker (ton)



Digital Transformation in the Manufacturing Sector

Based on the Ministry of Industry and Mineral Resources' announcement of the "Factories of the Future" program to support factories in adopting Fourth Industrial Revolution technologies and applying global best practices in smart manufacturing, which in turn led to enhancing factories' profitability and reducing production costs by adopting the Smart Industries Readiness index (SIRI) methodology. Is the indicator adopted by the Kingdom of Saudi Arabia to measure the level of smart manufacturing, and approved by the World Economic Forum (WEF) to evaluate the digital maturity of factories.

YCC carried out an audited Siri evaluation by a certified evaluator from the INSIT organization - and obtained second place at the level of the Kingdom's factories, thanks to Allah first. Then YCC adopted the latest applications of the Fourth Industrial Revolution using automation programs based on artificial intelligence to automate the main production units in the plant . Where artificial intelligence analyzes vital indicators of industrial processes, such as temperature and feed rates, and then makes appropriate decisions similar to those made by a human worker. Not only that, but the most important feature of it is its ability to learn through analyzing past processes, which enhances its ability to predict the future. The most important result of the use of these technologies is an increase in production capacity and a reduction in fuel and electricity consumption in the plant, as fuel consumption decreased by 3% and electricity consumption decreased by 11% in the period between 2020 and 2023.

At Yanbu Cement Company, we use the latest technology to ensure that our products conform to local and international quality standards. We have an integrated automated system for withdrawing samples during all stages of the production process to be analyzed and examined and to take the necessary proactive and preventive measures. The automated system resets the proportions of raw materials based on the results Previous analyzes without any human intervention. Given that the satisfaction of our partners and customers is one of our main priorities, we have implemented an automated system that links the customer database with the sales system and the automation system for automatic loading, where customers' cars are automatically directed to the required loading points and then the loading process is carried out using an automated loading robot. We also adopt the concept of preventive maintenance. For critical production equipment by applying a methodology to analyze the root causes of failures, and using cloud computing to define the automated minimum order for consumable spare parts.

Information Technology

Yanbu Cement Company realizes the importance of information technology, which is the lifeblood of companies in the modern era, as it plays a crucial role in improving efficiency, enhancing innovation, and enabling growth, and it contributes fundamentally to developing performance, automating processes, and improving the services provided by offering integrated solutions in creative ways using the latest technology techniques available, building a strong infrastructure, and using specialized cadres, while adhering to the requirements of regulatory authorities and international standards, in order to support YCC's orientation towards integrated digital transformation and enable it to achieve its mission and its pursuit of leadership.

The challenges of 2023 are to improve connectivity and internet services between the head office and the plant Raising the level of awareness of the importance of cybersecurity and spreading the culture that the Information Technology Department is the unified channel in YCC for all its transactions, whether internal or external, and provides high-quality sources of devices, applications and services, in addition to providing technical and advisory support at the highest level and keeping pace with technical development in the field of information technology.

Safety and Security

Undoubtedly, protecting the environment, human health, safety and security is a fundamental pillar of our work, and therefore Yanbu Cement Company seeks to achieve this by enhancing security and safety policies and procedures and ensuring our commitment to them. We also seek to develop the concept of working according to standards that go beyond just basic compliance. Given the importance of environment, health, safety, security and regulatory compliance, they are considered the basis on which Yanbu Cement's manufacturing strategy is based. We pay great attention to following up on new developments, international laws and regulations related to the environmental aspect, in order to ensure the continuity of our business without any negative impact on the environment.

In order to maintain the safety of YCC's employees and increase efforts to avoid accidents and enhance security and safety, many operations were conducted, including:

1 **False fire drills**
It included conducting (6) mock experiments that included several high-risk locations in the plant.

2 **Evacuation drills**
It included conducting (6) evacuation drills in 2023 for several locations in the plant, to raise the level of employees' readiness for evacuation during emergency situations.

3 **Rescue operations**
It included conducting (8) rescue operations for detainees inside the residential area and the plant.

4 **Firefighting**
Fires were controlled and extinguished, losses were reduced, and property was preserved in (6) locations within the residential neighborhood and the plant.

5 **Training**
Firefighting training for employees is an active function of the department as training is scheduled daily and covers various topics to provide opportunities for all personnel to gain new skills and enhance existing skills through repetition and advanced training design.

6 **Maintenance**
Integrated maintenance contracts were concluded for fire protection systems and alarm systems in the plant and the residential area, in addition to the rehabilitation of fire protection equipment.

7 **Events**
The Security, Health and Safety team participates in safety-related events such as World Civil Defense Day. A safety incentive program was also created for employees and contractors for their commitment to implementing safety procedures. In addition, Yanbu Cement Company was honored by the leadership of the Roads Security Special Forces in the Medina region in Yanbu Governorate in appreciation of YCC's efforts during the Dakar Rally in February 2023.

8 **Enhancing industrial security**
Many steps are taken to ensure that there is no congestion and to organize the movement of export trucks and their entry and exit from the plant, while reducing additional work and maintaining regular field activities, including reports and obtaining permits for vehicles to enter YCC's facilities.

Business Continuity Management

Yanbu Cement Company (YCC) places everything related to business continuity on its list of priorities, considering the planning of business continuity as an essential factor in maintaining the regularity of operations during unexpected events, such as natural disasters, cyber-attacks, or epidemics. YCC has worked to develop and implement a business continuity management plan aimed at ensuring the safety of employees and restoring the previous status of assets such as buildings and equipment, as well as business continuity that deals with third parties, restoring important records and the ability to restore information technology systems that could be affected by cyber threats, in addition to establish crisis management and communications protocols to help mitigate the impact of disruptions, reduce financial losses, and maintain customer satisfaction. This plan was prepared based on analyzing the business impact of all basic systems on a regular and periodic basis in order to ensure the effective implementation of protocols and guidelines for the continuity of all operational processes in YCC.

Internal Audit

Yanbu Cement Company's internal audit is a key element within the framework of YCC's governance processes and periodically provides YCC's management with evaluation and recommendations on the activities being reviewed to help it maintain improvement of YCC's operations and its internal control environment.

The Internal Audit Department is completely independent and its responsibilities revolve around reviewing YCC's departments and operations, providing consulting services, examining and evaluating the adequacy and effectiveness of governance processes, risk management and internal control systems at Yanbu Cement Company and its subsidiaries. The Internal Audit Department has full powers and unrestricted access to all YCC's records and data. Its information and property.

The internal audit work during 2023 resulted in opportunities to improve control systems and reduce potential risks that threaten these company activities. The Internal Audit Department submits its reports on a quarterly basis to the Audit Committee emanating from the Board of Directors to ensure its independence.

Risk Management

YCC works to manage risks by building an integrated risk management framework by implementing a comprehensive program to identify, evaluate and mitigate risks that may affect YCC. When potential risks are proactively identified, strategies can be developed to reduce their impact and likelihood of their occurrence.

Risk management helps protect YCC's goodwill, maintain the trust of our stakeholders, avoid financial losses, contribute to decision-making, effectively allocate resources, and improve business strategies. It also ensures compliance with regulatory requirements and industry standards, reducing legal and regulatory risks.

YCC faces operational risks represented by the increase in the prices of raw materials, manufacturing supplies, energy and fuels and their impact on the raise in operating costs, as well as market risks similar to companies operating in the Kingdom and fluctuations in the general economy, which may result in a decline in local demand for cement. Therefore, YCC is adopting a policy of opening new markets outside the Kingdom. YCC policy relies on managing financing risks is to ensure the availability of sufficient cash liquidity for operational operations and to fulfill its obligations when they occur. This is done by managing YCC's activity and credit facilities to meet any future obligations.

Quality Standards

YCC has been keen to improve quality in all its operations in order to reach local and international quality standards and made it a business priority by obtaining many quality certificates. YCC's policies also included working to conduct continuous studies and research to improve and raise the efficiency of production processes.

The most important of these certificates are:

- Quality logo from the Saudi Standards Organization SASO
- ISO 45001 - Occupational health and safety management system certification
- ISO 9001 - Quality Management System Certificate
- ISO 14001 - Environmental Management System Certificate
- ISO 50001 - Energy management system certification





Description of the main types of activities of YCC and its subsidiaries.

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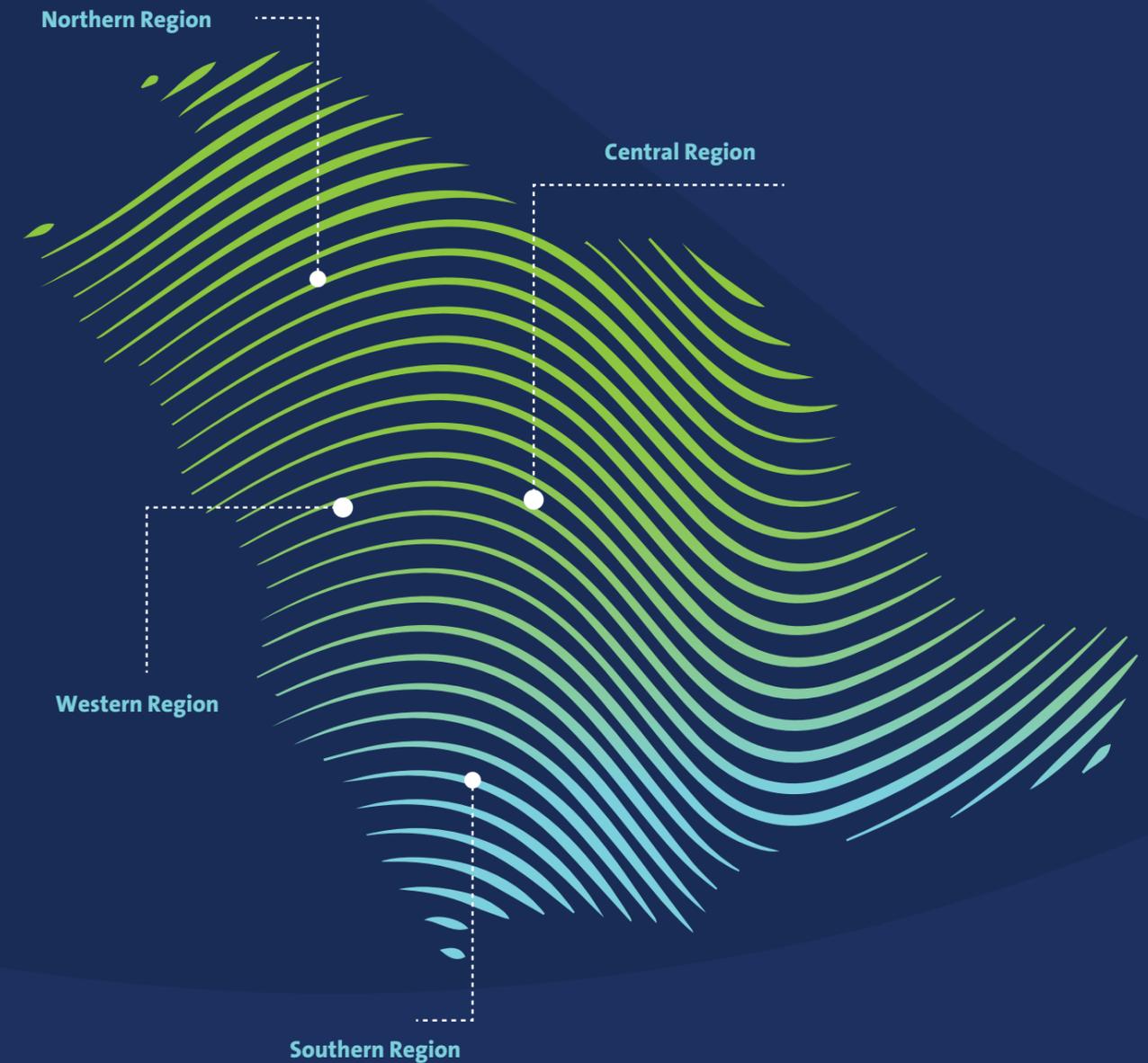
Yanbu Cement Company (YCC)

Manufacturing, producing and trading in cement, its derivatives, components, and accessories, as well as carrying out all works directly or indirectly related to this purpose.

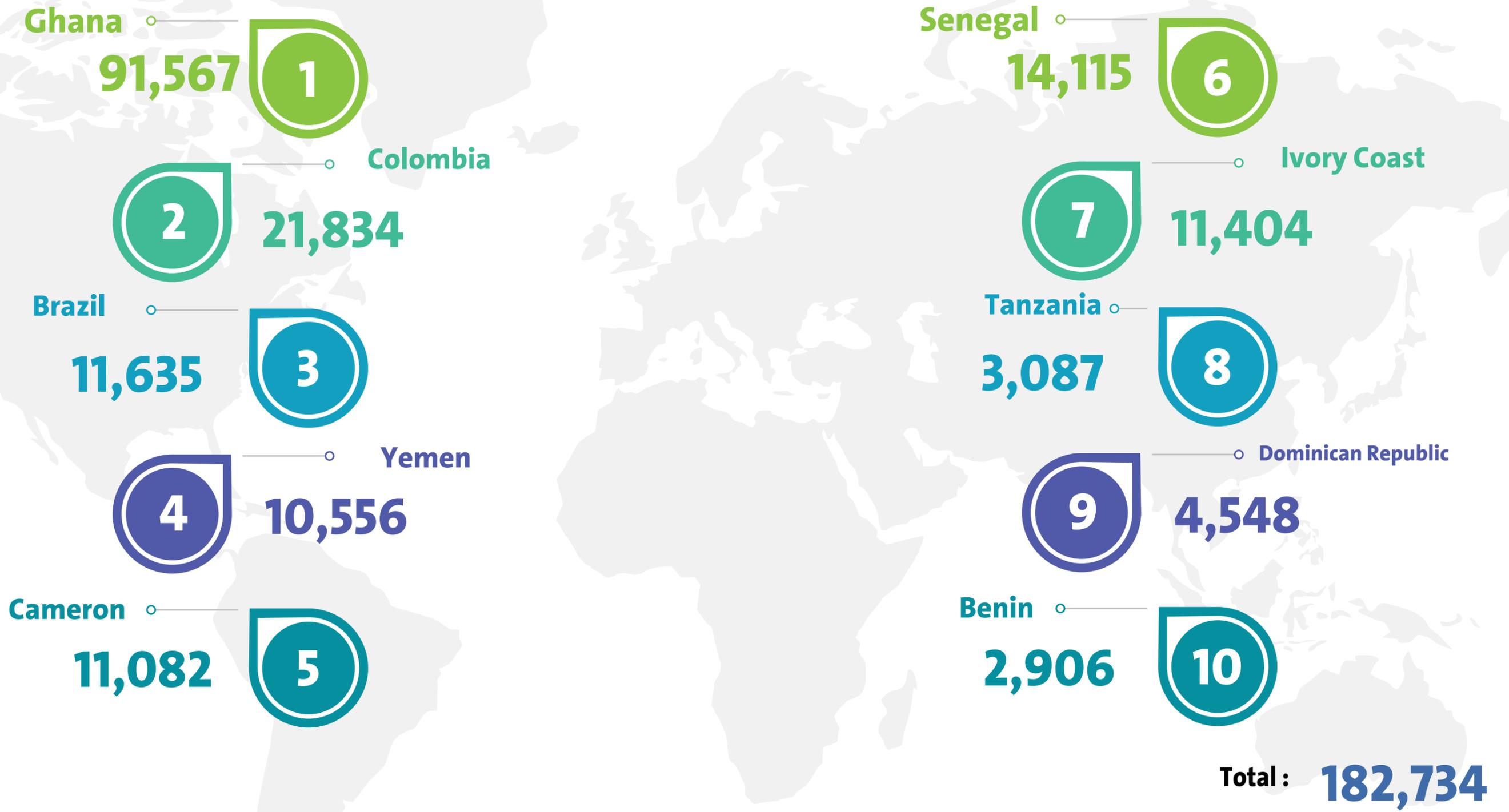
Geographical analysis of YCC's total revenues for 2023 (Thousand SAR)



Geographical analysis of local sales quantities (Thousand SAR)



**Geographical analysis of export sales revenues (clinker and cement)
(Thousand SAR)**



Port : Yanbu Commercial Port Customs
King Abdullah Port Customs

Description of the main types of activities of YCC and its subsidiaries.

Yanbu Saudi Kuwaiti Paper Products Company

Manufactures paper cement bags, established in 2005 with a capital of 12.5 million Saudi riyals which was raised (capital increase) until it currently reached 50 million Saudi riyals. It is wholly owned (100%) by Yanbu Cement Company, and the production capacity of the factory is Approximately 200 million multi-layer kraft paper bags are produced annually.

Vision:

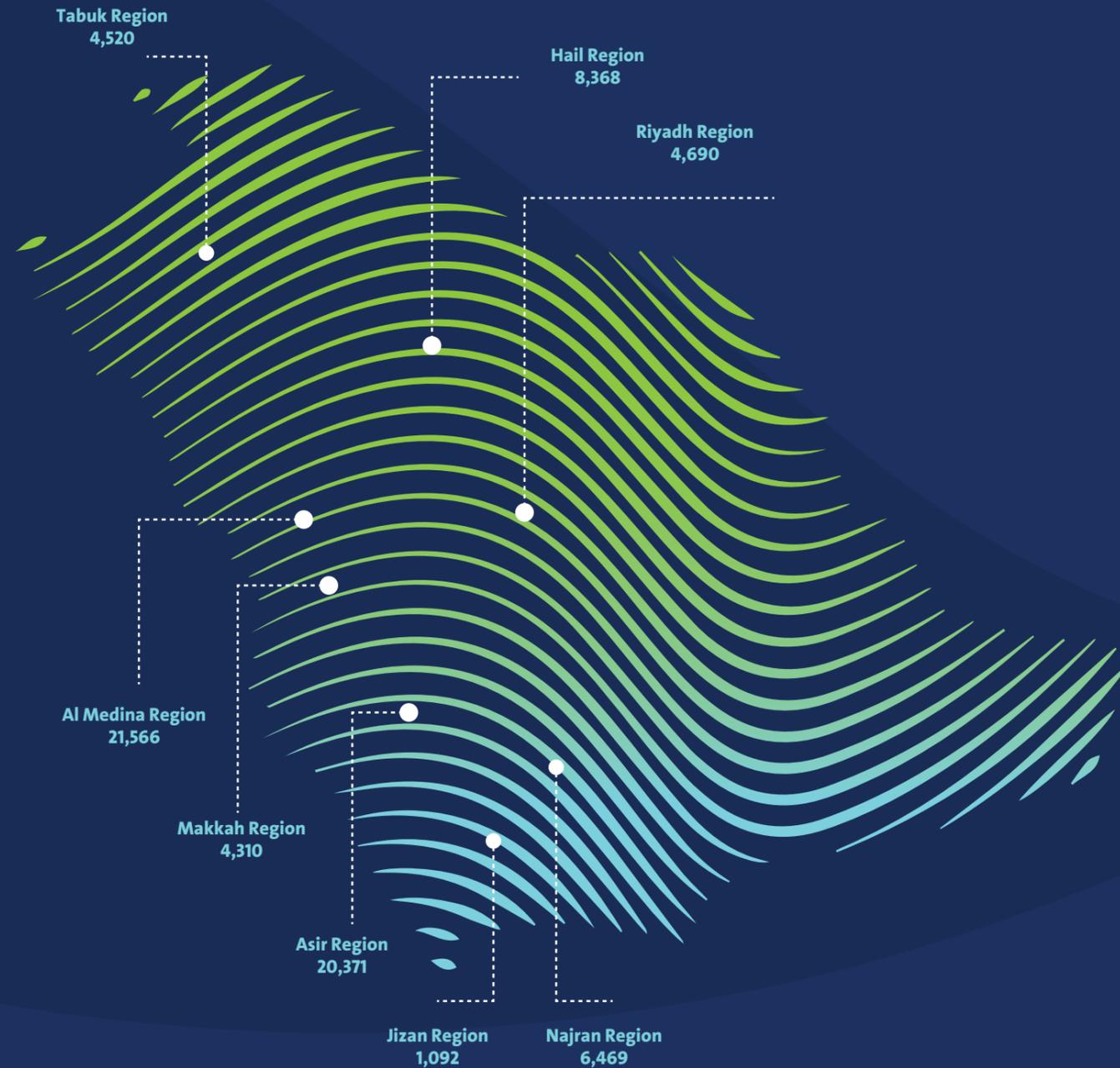
To be the leading paper bag manufacturer in the Middle East and establish a trusted brand.

Mission:

Produce high quality products and deliver higher value to our customers and stakeholders.

Company Name	Capital	(%) of YCC's Ownership	Main Activity	Country Of Main Operations	Country Of Incorporation
Yanbu Saudi Kuwaiti Paper Products Company	50,000,000 SAR	100 %	Manufacturing Paper Products	Saudi Arabia	Saudi Arabia

Geographical analysis of the Yanbu Saudi Kuwaiti Paper Products Company total revenues for 2023 (Thousand Riyals)



Cement Knowledge Center for Training

Yanbu Cement Company cooperated with the Danish Engineering Company (FLSmidth) to launch the Cement Knowledge Center for training in 2019, which is the first of its kind in the Middle East and North Africa for training in the cement industry. The center aims to prepare local talent and expertise in the Kingdom of Saudi Arabia in line with the goals of the Kingdom's Vision 2030. The center has the capacity to accommodate 100 trainees during the year, and also provides a range of short, medium and long-term training courses in the cement industry.

Company Name	Capital	(%) of YCC's Ownership	Main Activity	Country Of Main Operations	Country Of Incorporation
Cement Knowledge Center Company for Training	500,000 SAR	49%	Providing technical and administrative courses	Saudi Arabia	Saudi Arabia

Geographical analysis of the total revenues of Cement Knowledge Center for the year 2023 (Thousand SAR)



Training programs 2023

The center offers a number of professional programs and courses in the cement industry, the most important of which is the Professional Cement Engineer Program. The program aims to qualify newly graduated Saudi engineers for the labor market within 6 months and ends with the preparation of a project to study a chronic problem in the plant and propose solutions to it. The fourth batch of Saudi engineers (8 engineers) completed the fourth and final part of the professional cement engineer preparation program, and a number of training programs were implemented in cooperation with the plant's internal competencies during the year.

1. Engineers Professional Development Program (EPDP):

A unique initiative in the cement manufacturing industry in the Kingdom of Saudi Arabia. The program aims to transform young engineers into professional engineers with high skills in cement manufacturing. The Knowledge Center celebrated the graduation of a new batch of participants in the Professional Development Program for Engineers, where eleven (11) engineers were certified as professional cement manufacturing engineers. Graduates had the opportunity to share their educational experiences with the CEO, Vice Presidents and Directors. The CEO noted the program's impact on talent development and its positive impact on the localization of basic skills.

2. Program for Monitoring Statistical Operations and Analyzing Data

In pursuit of operational excellence, the Cement Knowledge Center has implemented a comprehensive training course on statistical process monitoring and data analysis. This initiative aims to empower employees and provide them with the necessary skills to raise the plant's key performance indicators (KPIs). The training focused on providing participants with the ability to benefit from data analysis effectively by honing their skills and empowering employees to make decisions and ensure the procedures and adjustment made in timely manner to enhance various key performance indicators including production, quality and cost management.

One of the most important aspects of the course was the identification and evaluation of non-conformities. Participants learned how to inspect plant data, enabling them to spot non-conformities immediately. This newfound capability ensures that corrective actions can be arranged immediately, contributing to a more flexible and responsive operating environment.

3. International Maintenance Program

The Cement Knowledge Center succeeded in organizing the first international maintenance program in the Middle East. The program provides participants with deep insights and knowledge of best practices and innovative methods in the cement industry. The program lasts for 5 days, during which participants are provided with key tools, performance standards and maintenance strategies to enhance reliability and reduce costs. The International Maintenance Seminar was well attended and attracted participants from various organizations, including the Arab Union Contracting Company in Libya, the Southern Region Cement Company, Yanbu Cement Company, the Danish FLSmidth Company.





**Governance, Compliance and
Related Disclosures**



Governance and Compliance

Based on Yanbu Cement Company's awareness that governance and compliance are essential elements in the success and prosperity of any company, YCC has adopted standards to ensure that all its operations are managed honestly and transparently for the benefit of investors and all other stakeholders to maintain their trust, protect their rights, and ensure that they obtain information in a timely manner. Always the principles of good governance: disclosure, transparency, responsibility, and accountability, one of the important cornerstones of YCC's success and the basic building block in decision-making and gaining the trust of stakeholders.

This is in addition to helping improve performance and making the right strategic decisions by establishing an organized framework and achieving long-term goals while adhering to the laws and regulations that govern its activity. In general, Yanbu Cement Company considers governance and compliance an integral part of its strategy to achieve sustainable growth and build a good reputation in market, and achieving competitive superiority in the industry at the local and global levels.

Yanbu Cement Company business is also characterized by prominent ethical standards and full compliance with regulations and legislations. Therefore, YCC keeps in mind the professional behaviors and ethics that all employees of YCC comply with, and embodies these behaviors and ethics through various daily activities, conforming to the highest standards of integrity, and as a result of all the efforts exerted on both the internal and external levels, Yanbu Cement Company obtained during 2023 a certificate of compliance with the General Authority for Competition Regulation, to establish a culture of compliance in all its work.



Implemented and Non-Implemented Provisions of Corporate Governance Regulations, and justification thereof.

The company acknowledges the implementation of all the provisions of the Corporate Governance Regulation except the following:

Article and Paragraph Number in the Corporate Governance Regulations	Partially Implemented	Not Implemented	Reasons of non-implementation
<p>Article Thirty-Nine: (The Assessment)</p> <p>A. The Board shall develop, based on the proposal of the nomination committee, the necessary mechanisms to annually assess the performance of the Board, its members and committees and the Executive Management using key performance indicators linked to the extent to which the strategic objectives of the Company have been achieved, the quality of the risk management and the efficiency of the internal control systems, among others, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company.</p> <p>B. The procedures of performance assessment shall be in writing and clearly stated and disclosed to the Board members and parties concerned with the assessment.</p> <p>C. The performance assessment shall entail an assessment of the skills and experiences of the Board, identification of the weaknesses and strengths of the Board and shall attempt to resolve such weaknesses using the available methods, such as nominating competent professional staff able to improve the performance of the Board. The performance assessment shall also entail the assessment of the mechanisms of the Board's activities in general.</p> <p>D. The individual assessment of the Board members shall take into account the extent of effective participation of the member and his/her commitment to performing his/her duties and responsibilities, including attending the Board and its committees' meetings and dedicating adequate time thereof.</p> <p>E. The Board shall carry out the necessary arrangements to obtain an assessment of its performance from a competent third party every three years.</p> <p>F. Non-Executive Directors shall carry out a periodic assessment of the performance of the chairman of the Board after getting the opinions of the Executive Directors, without the presence of the chairman of the Board in the discussion on this matter, provided that weaknesses and strengths shall be identified and a solution shall be proposed for the same in the best interests of the Company.</p>	-	✓	Guiding Article
<p>Article Sixty-Seven: Composition of the Risk Management Committee</p> <p>The Company's Board shall, by resolution therefrom, form a committee to be named the "risk management committee." Chairman and majority of its members shall be Non-Executive Directors. The members of that committee shall possess an adequate level of knowledge in risk management and finance.</p>	-	✓	Guiding Article

Implemented and Non-Implemented Provisions of Corporate Governance Regulations, and justification thereof.

The company acknowledges the implementation of all the provisions of the Corporate Governance Regulation except the following:

Article and Paragraph Number in the Corporate Governance Regulations	Partially Implemented	Not Implemented	Reasons of non-implementation
<p>Article Sixty-Eight: (Competencies of the Risk Management Committee)</p> <p>The competencies of the risk management committee shall include the following:</p> <ol style="list-style-type: none"> 1. developing a strategy and comprehensive policies for risk management that are consistent with the nature and volume of the Company's activities, monitoring their implementation, and reviewing and updating them based on the Company's internal and external changing factors; 2. determining and maintaining an acceptable level of risk that may be faced by the Company and ensuring that the Company does not go beyond such level; 3. Ensuring the feasibility of the Company continuation, the successful continuity of its activities and determining the risks that threaten its existence during the following twelve (12) months; 4. Overseeing the Company's risk management system and assessing the effectiveness of the systems and mechanisms for determining and monitoring the risks that threaten the Company in order to determine areas of inadequacy therein; 5. Regularly reassessing the Company's ability to take risks and be exposed to such risks (through stress tests as an example); 6. Preparing detailed reports on the exposure to risks and the recommended measures to manage such risks, and presenting them to the Board; 7. providing recommendations to the Board on matters related to risk management; 8. ensuring the availability of adequate resources and systems for risk management; 9. reviewing the organizational structure for risk management and providing recommendations regarding the same before approval by the Board; 10. Verifying the independence of the risk management employees from activities that may expose the Company to risk; 11. Ensuring that the risk management employees understand the risks threatening the Company and seeking to raise awareness of the culture of risk; and 12. Reviewing any issues raised by the audit committee that may affect the Company's risk management. 	✓	-	<p>The chores of the Risk Management Committee have been combined with the chores of the Audit Committee</p>
<p>Article Sixty-Nine: (Meetings of the Risk Management Committee)</p> <p>The risk management committee shall convene periodically at least once every six months, and as may be necessary.</p>	-	✓	Guiding Article

Article and Paragraph Number in the Corporate Governance Regulations	Partially Implemented	Not Implemented	Reasons of non-implementation
<p>Article Eighty: Regulating the Relationship with Stakeholders</p> <p>The Board shall establish clear and written policies and procedures regulating the relationship with Stakeholders with the aim of protecting them and safeguard their rights, which shall include the following, in particular:</p> <ol style="list-style-type: none"> 1. methods to compensate Stakeholders when their rights established by laws or protected by contracts are infringed; 2. methods for resolving complaints or disputes that may arise between the Company and the Stakeholders; 3. methods for building good relationships with customers and suppliers and maintaining the confidentiality of their information; 4. rules of professional conduct for Company managers and employees that are prepared in compliance with the proper professional and ethical standards and regulate their relationship with Stakeholders, provided that the Board shall establish mechanisms for supervising the implementation of, and compliance with such rules; 5. the Company's social contributions; 6. ensuring that the Company's transactions with Board members and Related Parties are entered into on terms identical to the terms of transactions with Stakeholders without any discrimination or bias; 7. Stakeholders obtaining of information relevant to their activities to enable them to perform their duties. Such information shall be correct and sufficient and shall be provided in timely manner and on a regular basis; and 8. treating Company employees pursuant to the principles of justice and equality and without discrimination. 	✓	-	Some policies have been prepared and approved by the Board
<p>Article Eighty-One: (Reporting Non-Compliant Practices)</p> <p>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"> 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; 2. maintaining the confidentiality of reporting procedures through facilitating direct contact with an independent member of the audit committee or other specialized committees; 3. appointing an employee to receive and address complaints or reports sent by Stakeholders; 4. dedicating a telephone number or an email address for receiving complaints; and 5. providing the necessary protection to the Stakeholders. 	✓	-	The procedures of reporting violations are included in company policies

Implemented and Non-Implemented Provisions of Corporate Governance Regulations, and justification thereof.

The company acknowledges the implementation of all the provisions of the Corporate Governance Regulation except the following:

Article and Paragraph Number in the Corporate Governance Regulations	Partially Implemented	Not Implemented	Reasons of non-implementation
<p>Article Eighty-Two: (Employee Incentives) The Company shall establish programs for developing and encouraging the participation and performance of the Company's employees. The programs shall particularly include the following:</p> <ol style="list-style-type: none"> forming committees or holding specialized workshops to hear the opinions of the Company's employees and discuss the issues and topics that are subject to important decisions; establishing a scheme for granting Company shares or a percentage of the Company profits and pension programs for employees, and setting up an independent fund for such program; and establishing social organizations for the benefit of the Company's employees. 	-	✓	Guiding Article
<p>Article Eighty-Three: (Professional Conduct Policy) The Board shall establish a policy for professional conduct and ethical values at the Company, which shall particularly take the following into consideration:</p> <ol style="list-style-type: none"> 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, priorities his/her own interests over the interests of the Company; a 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; entrench among the Board members and Senior Executives the principle of compliance with all relevant laws, regulations and instructions; 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; 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 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. 	✓	-	The final draft of the Professional and Ethical Conduct Policy has been prepared and is being approved by the Board of Directors

Article and Paragraph Number in the Corporate Governance Regulations	Partially Implemented	Not Implemented	Reasons of non-implementation
<p>Article Eighty-Four: (Social Responsibility) The Ordinary General Assembly, based on the Board recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.</p>	-	✓	Guiding Article
<p>Article Eighty-Five: (Social Initiatives) The Board shall establish programs and determine the necessary methods for proposing social initiatives by the Company, which include:</p> <ol style="list-style-type: none"> establishing indicators that link the Company's performance with its social initiatives and comparing it with other companies that engage in similar activities; disclosing the objectives of the Company's social responsibility to its employees and raising their awareness and knowledge of social responsibility; disclosing plans for achieving social responsibility in the periodical reports on the activities of the Company's; and establishing awareness programs to the community to familiarize them with the Company's social responsibility. 	-	✓	Guiding Article
<p>Article Ninety-Two: (Formation of a Corporate Governance Committee) If the Board forms a corporate governance committee, it shall assign to it the competencies stipulated in Article (91) of these Regulations. Such committee shall oversee any matters relating to the implementation of governance and shall provide the Board with its reports and recommendations at least annually.</p>	-	✓	Guiding Article

The Board of Directors, Their Classification, Committees Members, Their Current and Previous Positions, Qualifications and Experience

The Board of Directors consists of a group of leaders with comprehensive and diverse expertise and experience, which allows Yanbu Cement Company to form A great mixture of skills and expertise. The Board of Directors also plays an effective role in directing YCC's strategy and working closely with the executive management towards achieving YCC's goals.



Mr. Fahd bin Sulaiman Al-Rajhi, non-executive member

Current Position	Previous Position
Chairman of Board of Directors	Vice Chairman of the Board

Qualifications:

- Bachelor of Science in Industrial Management (King Fahd University of Petroleum and Minerals) 1983 .

Experience :

- Board Vice Chairman of Sahara International Petrochemical Company (Sipchem)
- Board Chairman of Al Rajhi Ekhwan Group Company
- Board Chairman of AL Watania Company for Industries
- Board Chairman of the Saudi German Company for Nonwoven Products
- Board Chairman of Advanced Flexible Packaging Company
- Board Vice Chairman of Musharaka Capital Company
- Member of the Board of Directors of the International Methanol Company



Mr. Mohammed bin Abdullah Al-Khereiji, non-executive member

Current Position	Previous Position
Vice Chairman of the Board of Directors	Chairman of the Board of Directors of Al-Khereiji Holding Group

Qualifications:

- Law degree from Cairo University in 1973.
- Diploma in Marketing from the International Marketing Institute.
- Marketing Management Certificate from the International Marketing Institute, Cambridge (United States) 1976 .
- Diploma in Change Management from Harvard University in 2000.

Experience :

- Membership in several joint stock companies and executive committees.



Mr. Ibrahim bin Hamad Al-Rashed, independent member

Current Position	Previous Position
Chief Executive Officer of Social Development Bank	Head of Rawafed Company and Vice President of Takamul Holding Company

Qualifications:

- Bachelor of Computer Science (King Saud University).
- Master of Computer Science (Florida Institute of Technology) - United States, 2002

Experience :

- Director of Business Relations and Development at Al Rajhi Bank, CIO
- General Director of the Electronic Transactions Center "Yosor"
- Consultant in Al-Rashed office - accountants and auditors
- Head of Information Technology at General Training Corporation



Mr. Ali bin Abdullah Alayed Executive Member

Current Position	Previous Position
CEO of Yanbu Cement Company	CEO of Saudi Development and Technical Investment Company

Qualifications:

- Bachelor's degree in Industrial Management (King Fahd University of Petroleum and Minerals) 1979.
- Financial Analysis Program, Chase Manhattan Bank, New York, USA, in 1981

Experience :

- Former General Manager of the Saudi Industrial Development Fund.
- Former CEO of the Saudi Technology Development and Investment Company.
- Former Board Chairman of the Saudi Egyptian Industrial Investments Company (an Egyptian company).
- Former Board Member of October Pharma (an Egyptian company).
- Former Board Member of Alexandria Carbon Black Company (an Egyptian company).
- Former Board Member, Audit Committee and Executive Committee of the Power and Water Utility Company for Jubail and Yanbu.
- Board Vice Chairman and Former Chairman of the Audit Committee of the Arab Industrial Fiber Company (Ibn Rushd).
- Former Board Member of Al Watania for Industry company, and a Member of the Executive Committee.
- Former Board Member and Chairman of the Audit Committee, Social Development Bank.
- Former Member of the Economic Balance Committee (Economic and Development Affairs Council)
- Former Member, and Chairman of the Audit Committee of National Industrial Clusters program.
- Former Board Member of the Saudi German Development and Investment Company Limited (SAGECO).
- Former Board Member of the Saudi Ceramic Company.



Eng Riyadh bin Abdul Rahman Aba Al-Khail, independent member

Current Position	Previous Position
Executive Director of Licensing and Registration at the Ministry of Investment	Director General of Licensing at the General Investment Authority.

Qualifications:

- Electrical Engineering (King Saud University).
- Higher diploma (University of Cambridge, UK).

experiences:

- Project Management Consultant at the Saudi Industrial Development Fund.
- Supervisor of the financial audit project for foreign establishments licensed by the General Investment Authority.
- Director of the Riyadh Investor Services Center.
- Member of the Licensing Committee of the General Investment Authority.
- Representative of the General Investment Authority at the Customs Exemptions Committee.

The Board of Directors, Their Classification, Committees Members, Their Current and Previous Positions, Qualifications and Experience



Mr. Turki bin Musaed Al-Mubarak, independent member

Current Position	Previous Position
Businessman	Director and Managing Partner of Al-Asna Trading Company

Qualifications:

- Bachelor of Accounting (King Saud University) 2003

Experience :

- Director and Managing Partner of Al-Asna Trading Company
- Investment manager and managing partner
- Part-time consultant at Al-Yemni Holding Group
- Director of Investment Management at Samba Financial Group
- Assistant Manager of Investment Management at Samba Financial Group



Mr. Abdulaziz bin Sulaiman Al Rajhi, non-executive member

Current Position	Previous Position
Businessman	Businessman

Qualifications:

- Bachelor of Financial Management (Prince Sultan University).

Experience :

- Board Chairman of Al Rajhi Investment Company and Al-Watania Agricultural Company.
- CEO of Sulaiman Al Rajhi Holding Company.
- General Secretary of the Sulaiman Al Rajhi Endowment.
- Board member in several companies, including Al Rajhi International Company and Jabal Omar Company.
- Founder and Board member of Al Rajhi Union Investment Holding Company.
- Founder and Board member of Raj Real Estate Company, in addition to managing some private businesses.



Eng. Abdulaziz bin Abdullah Al-Habardi, independent member

Current Position	Previous Position
Retired	President of the Arab Petrochemical Company (Petrokemya)

Qualifications:

Bachelor of Mechanical Engineering (King Fahd University of Petroleum and Minerals - 1984)

Experience :

- Board member of advanced Petrochemical Company
- Board Vice Chairman ,and a member of The Audit Committee of Advanced Polyolefins Company
- Former Board member, and member of the Nomination and Remuneration Committee of Kayan Petrochemical Company
- Former Board Member and General Manager of Maintenance at Arabian Petrochemical Company (Petrokemya)
- Former Board Member and General Manger of Operating at Eastern Petrochemical Company (Sharq)
- Former Board Chairman of SABIC's Gas Company
- Chairman of Jubail Petrochemical Company



Mr. Fahd bin Ibrahim Al-Jomaih, independent member

Current Position	Previous Position
Director of the Middle East and North Africa Investment Department at Public Investment Fund (PIF)	Senior Vice President of the Middle East and North Africa Investment Department at the Public Investment Fund (PIF)

Qualifications:

- MBA (University of Portsmouth, UK, 2007)
- Master of Science in International Securities, Investments and Banking (University of Reading, UK, 2006)
- Bachelor of Business Administration (Northeastern University, USA, 2004)

Experience :

- Director of Investments at Abdul Latif Jameel Investments Company
- Vice President of Investment Banking at Banque Saudi Fransi
- Participant - Investment Banking at Banque Saudi Fransi



Mr. Omar Jahidi, independent member

Current Position	Previous Position
Senior Director - Head of Mergers and Acquisitions of MENA Investment Advisory At the Public Investment Fund	Director of Investment Banking Advisory at HSBC

Qualifications:

- Master's in Management and Corporate Finance (EM Lyon Business School, France, 2008)
- Bachelor of Business Administration (American University, "Al Akhawayn" Ifrane, Morocco, 2006)

Experience :

- Associate Director, Mergers and Acquisitions at HSBC
- Associate, Mergers and Acquisitions, Trading & Acquisitions at HSBC

Companies wherein the Board Member is a Member in its Current and Previous Board or One of its Managers :

Member's name	Names of Companies in which a Board Member is a Member of their Current Board or a Manager	Inside/Outside the Kingdom	Legal entity	Names of Companies in which a Board Member is a Member of their Previous Board or a Manager	Inside/Outside the Kingdom	Legal entity
Mr. Fahd bin Suleiman Al-Rajhi	Yanbu Cement Company	Inside the Kingdom	Listed Joint Stock Company	AL-Watania Poultry Company	Inside the Kingdom	Closed Joint Stock Company
	Sahara International Petrochemical Company	Inside the Kingdom	Listed Joint Stock Company	Naqwa Company	Inside the Kingdom	Closed Joint Stock Company
	Al Rajhi Ekhwan Group Company	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	AL Watania Company for Industries	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	International Methanol Company	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	Saudi German Company for Nonwoven Products	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	Advanced Flexible Packaging Company	Inside the Kingdom	Limited Liability Company	-	-	-
	Musharaka Capital Company	Inside the Kingdom	Closed Joint Stock Company	-	-	-
Mr. Mohammed bin Abdullah Al-Khereiji	Al-Khereiji Holding Group	Inside the Kingdom	Limited Liability Company	international Center for Trade and Contracting	Inside the Kingdom	Limited Liability Company
	Abdullah Al-Khereiji Sons Real Estate Company	Inside the Kingdom	Limited Liability Company	Makkah International Market	Inside the Kingdom	Limited Liability Company
	Medical equipment and services company	Inside the Kingdom	Limited Liability Company	Global Environmental Services Management Company Limited	Inside the Kingdom	Limited Liability Company
	Al-Khereiji Company	Inside the Kingdom	Closed Joint Stock Company	Jeddah Holding Company	Inside the Kingdom	Limited Liability Company
	World care International Company	Outside the Kingdom	Limited Liability Company	Amen company	Inside the Kingdom	Limited Liability Company
	Ithmaar Bank	Outside the Kingdom	Closed Joint Stock Company	Faisal Investment Bank	Outside the Kingdom	Limited Liability Company
	Yanbu Cement Company	Inside the Kingdom	Listed Joint Stock Company	Tehama Company	Outside the Kingdom	Joint Stock Company
	Faisal Investment Bank of Egypt	Outside the Kingdom	Joint Stock Company	Edera company	Inside the Kingdom	Listed Joint Stock Company
	-	-	-	Islamic money house	Outside the Kingdom	Limited Liability Company

Member's name	Names of Companies in which a Board Member is a Member of their Current Board or a Manager	Inside/Outside the Kingdom	Legal entity	Names of Companies in which a Board Member is a Member of their Previous Board or a Manager	Inside/Outside the Kingdom	Legal entity
Mr. Ali bin Abdullah Alayed	Yanbu Cement Company	Inside the Kingdom	Listed Joint Stock Company	Saudi Ceramic Company	Inside the Kingdom	Listed Joint Stock Company
	Cement Knowledge Center	Inside the Kingdom	Mixed Limited Liability Company	Ibn Rushd Company	Inside the Kingdom	Unlisted Joint Stock Company
	-	-	-	Saudi German Development and Investment Company	Inside the Kingdom	Limited Liability Company
	-	-	-	Saudi Egyptian Industrial Investments Company	Outside the Kingdom	Joint Stock Company
	-	-	-	Marafiq Company	Inside the Kingdom	Listed Joint Stock Company
	-	-	-	October Pharma	Outside the Kingdom	Listed Joint Stock Company
	-	-	-	Alexandria Carbon Black Company	Outside the Kingdom	Listed Joint Stock Company
	-	-	-	Social Development bank	Inside the kingdom	Government entity
Mr. Ibrahim bin Hamad Al-Rashed	Future work company	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	The Saudi Fund for Small and Emerging Companies	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	National Gas and Manufacturing Company	Inside the Kingdom	Listed Joint Stock Company	-	-	-
Eng. Riyadh bin Abdulrahman Aba Al-Khail	Yanbu Cement Company	Inside the Kingdom	Listed Joint Stock Company	-	-	-
Mr. Turki bin Musaed Al-Mubarak	Yanbu Cement Company	Inside the Kingdom	Listed Joint Stock Company	The technical company for localization of technology	Inside the Kingdom	Unlisted Joint Stock Company
	Saudi Public Transport Company (SAPTCO)	Inside the Kingdom	Listed Joint Stock Company	-	-	-
Mr. Abdulaziz bin Sulaiman Al-Rajhi	Al Rajhi Union Holding	Inside the Kingdom	Closed Joint Stock Company	Sulaiman Al-Rajhi Holding	Inside the Kingdom	Limited Liability Company
	Raj Real Estate	Inside the Kingdom	Limited Liability Company	Al-Rajhi International	Inside the Kingdom	Limited Liability Company
	Alpha Investment	Inside the Kingdom	Limited Liability Company	Sulaiman Al-Rajhi Real Estate Investments	Inside the Kingdom	Limited Liability Company
	Yanbu Cement Company	Inside the Kingdom	Listed Joint Stock Company	-	-	-
	Al-Watania Agricultural	Inside the Kingdom	-	-	-	-

Companies wherein the Board Member is a Member in its Current and Previous Board or One of its Managers :

Member's name	Names of Companies in which a Board Member is a Member of their Current Board or a Manager	Inside/Outside the Kingdom	Legal entity	Names of Companies in which a Board Member is a Member of their Previous Board or a Manager	Inside/Outside the Kingdom	Legal entity
Eng. Abdulaziz bin Abdullah	Yanbu Cement Company	Inside the Kingdom	Listed Joint Stock Company	Saudi Kayan Petrochemical Company (Kayan)	Inside the Kingdom	Listed Joint Stock Company
Al-Habardi	Advanced Petrochemical Company	Inside the Kingdom	Listed Joint Stock Company	National Industrial Gases Company (Gas)	Inside the Kingdom	Limited Liability Company
	Advanced Polyofefins Company	Inside the Kingdom	Closed Joint Stock Company	Arabian Petrochemical Company (Petrochemia)	Inside the Kingdom	Limited Liability Company
	-	-	-	Eastern Petrochemical Company (Sharq)	Inside the Kingdom	Limited Liability Company
	-	-	-	Saudi Petrochemical Company (Sadaf)	Inside the Kingdom	Limited Liability Company
Mr. Fahd bin Ibrahim Al-Jomaih	D360 Bank	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	Saudi Tadawul Group	Inside the Kingdom	Listed Joint Stock Company	-	-	-
	Industrial Electronics Company	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	Saudi Technical Development and Investment Company	Inside the Kingdom	Closed Joint Stock Company	-	-	-
	Al Jomaih Equipment Company	Inside the Kingdom	Limited Liability Company	-	-	-
	Pergola Holding Company	Inside the Kingdom	Limited Liability Company	-	-	-
	International Beverages Company	Inside the Kingdom	listed joint Stock Company	-	-	-
Mr. Omar Jahidi	Yanbu Cement Company	Inside the Kingdom	listed joint Stock Company	-	-	-

Board of Directors Meetings

Fifteenth Session

Attendance record of the Board Meetings

Name	Position	Classification	1st 14/03/2023	2nd 06/04/2023	3rd 25/05/2023	4th 28/05/2023	Total attendees
Mr. Fahd bin Sulaiman Al-Rajhi	Chairman of Board of Directors	Non-Executive	Attended	Attended	Attended	Attended	4
Mr. Mohammed bin Abdullah Al-Khereiji	Vice Chairman of The Board	Independent	Attended	Attended	Attended	Attended	4
Mr. Fahd bin Saleh Al-Ajlan	Member	Non-Executive	Attended	Not Attended	Attended	Attended	3
Mr. Ali bin Abdullah Alayed	Member - CEO	Executive	Attended	Attended	Attended	Attended	4
Mr. Ibrahim bin Hamad Al-Rashed	Member	Independent	Attended	Attended	Attended	Attended	4
Eng. Riyadh bin Abdulrahman Aba Al-Khail	Member	Independent	Attended	Attended	Attended	Attended	4
Mr. Basel Bin Muneah Al-Fraih	Member	Non-Executive	Attended	Attended	Attended	Attended	4
Mr. Turki bin Musa'ed Al-Mubarak	Member	Independent	Attended	Attended	Attended	Attended	4
Mr. Abdulaziz bin Sulaiman Al-Rajhi	Member	Non-Executive	Attended	Attended	Attended	Attended	4
Mr. Salah bin Abdulrahman Al-Huzami	Member	Independent	Attended	Attended	Attended	Attended	4

Sixteenth Session

Attendance record of the Board Meetings

Name	Position	Classification	5th 11/07/2023	6th 19/10/2023	7th 18/12/2023	Total Attendees
Mr. Fahd bin Sulaiman Al-Rajhi	Chairman of Board of Directors	Non-Executive	Attended	Attended	Attended	3
Mr. Mohamed bin Abdullah Al-Khereiji	Vice Chairman of the Board	Non-Executive	Attended	Attended	Attended	3
Mr. Ali bin Abdullah Alayed	Member - CEO	Executive	Attended	Attended	Attended	3
Mr. Ibrahim bin Hamad Al-Rashed	Member	Independent	Attended	Attended	Attended	3
Eng. Riyadh bin Abdulrahman Aba Al-Khail	Member	Independent	Attended	Attended	Attended	3
Mr. Turki bin Musa'ed Al-Mubarak	Member	Independent	Attended	Attended	Attended	3
Mr. Abdulaziz bin Sulaiman Al-Rajhi	Member	Non-Executive	Attended	Attended	Attended	3
Eng. Abdulaziz bin Abdullah Al-Habardi	Member	Independent	Attended	Attended	Attended	3
Mr. Fahd bin Ibrahim Al-Jumaih	Member	Independent	Attended	Attended	Attended	3
Mr. Omar Jahidi	Member	Independent	Attended	Attended	Attended	3



Board of Directors Committees

First: Executive Committee:

The Executive Committee consists of four members of the Board, and the Committee held (6) meetings during 2023. The committee supports the Board of Directors by submitting recommendations on strategic plans and estimated annual budgets, in addition to following up and ensuring their implementation, measuring their effectiveness in achieving the desired goals, and reviewing and updating them from time to time.

Fifteenth Session

Attendance Record of the Executive Committee

Name	Description	Classification	1st 13/03/2023	Total Attendees
Eng. Riyadh bin Abdulrahman Aba Al- Khail	Committee Chairman	Independent	Attended	1
Mr. Ali bin Abdullah Alayed	Member	Executive	Attended	1
Mr. Basil bin Munea Mohammed Al-Fraih	Member	Non-Executive	Attended	1
Mr. Salah bin Abdulrahman Al-Huzami	Member	Independent	Attended	1

Sixteenth Session

Attendance Record of the Executive Committee

Name	Description	Classification	2nd 13/09/2023	3rd 01/11/2023	4th 9/11/2023	5th 28/11/2023	6th 11/12/2023	Total Attendees
Eng. Riyadh bin Abdulrahman Aba Al- Khail	Committee Chairman	Independent	Attended	Attended	Attended	Attended	Attended	5
Mr. Ali bin Abdullah Alayed	Member	Executive	Attended	Attended	Attended	Attended	Attended	5
Eng. Abdulaziz bin Abdullah Al-Habardi	Member	Independent	Attended	Attended	Attended	Attended	Attended	5
Mr. Omar Jahidi	Member	Independent	Attended	Attended	Attended	Attended	Attended	5



Second: Audit Committee:

The Audit Committee consists of three (3) non-executive members. The Committee held (6) meetings during 2023. The Audit Committee supports the Board of Directors by reviewing the effectiveness of risk management and internal audit, reviewing financial statements, and verifying the effectiveness of anti-fraud procedures, as well as establishing mechanisms that allow the company's employees to provide their feedback regarding any irregularity in the financial or other reports confidentially.

Fifteenth session

Attendance record of the Audit Committee

Name	Description	Classification	1st 14/02/2023	2nd 14/03/2023	3rd 17/05/2023	Total attendees
Mr. Fahd bin Saleh Al-Ajlan	Committee Chairman	Non-executive	Attended	Attended	Attended	3
Mr. Ibrahim bin Hamad Al-Rashed	Member	Independent	Attended	Attended	Attended	3
Mr. Mohamed bin Farhan bin Nader	Member	External member	Attended	Attended	Attended	3

Sixteenth session

Attendance record of the Audit Committee

Name	Description	Classification	1st 01/08/2023	2nd 30/10/2023	3rd 02/11/2023	Total attendees
Mr. Ibrahim bin Hamad Al-Rashed	Committee Chairman	Independent	Attended	Attended	Attended	3
Mr. Fahd bin Ibrahim Al-Jomaih	Member	Independent	Attended	Attended	Attended	3
Mr. Abdulaziz bin Abdullah Al-Naeem	Member	External member	Attended	Attended	Attended	3

Board of Directors Committees

Third: Nominations and Remuneration Committee

The Nominations and Remunerations Committee consists of three (3) members of the Board. The Nominations and Remunerations Committee held (5) meetings during 2023. The Committee supports the Board of Directors regarding nominations by proposing clear policies and standards for membership in the Board of Directors and Executive Management and verifying the independence of independent members. And the absence of any conflict of interest, in addition to identifying the weaknesses and strengths of the Board of Directors and proposing solutions to address them regarding remuneration by preparing a clear policy for the remuneration of members of the Board of Directors and the committees emitting from the Board and the Executive Management to enhance and motivate the administrative System and maintain distinguished cadres.

Fifteenth Session

Attendance record of the Nominations and Remuneration Committee

Name	Description	Classification	1st 01/03/2023	2nd 13/3/2023	Total Attendees
Mr. Mohamed bin Abdullah Al-Khereiji	Committee Chairman	Independent	Attended	Attended	2
Mr. Turki bin MUSAED Al-Mubarak	Member	Independent	Attended	Attended	2
Mr. Abdulaziz bin Sulaiman Al-Rajhi	Member	Non-Executive	Attended	Attended	2

Sixteenth Session

Attendance record of the Nominations and Remuneration Committee

Name	Description	Classification	3rd 11/07/2023	4th 17/08/2023	5th 13/12/2023	Total Attendees
Mr. Turki bin MUSAED Al-Mubarak	Committee Chairman	independent	Attended	Attended	Attended	3
Mr. Mohamed bin Abdullah Al-Khereiji	Member	Non-Executive	Attended	Attended	Attended	3
Mr. Abdulaziz bin Sulaiman Al Rajhi	Member	Non-Executive	Attended	Attended	Attended	3



The Executive Management Members, Their Current and Previous Positions, Qualifications and Experience

Mr. Ali bin Abdullah Alayed

Current Position	Previous Position
CEO of Yanbu Cement Company	CEO of the Saudi Technical Development and Investment Company

Qualifications	Experiences:
<ul style="list-style-type: none"> Bachelor's degree in Industrial Management (King Fahd University of Petroleum and Minerals). 1979 Financial Analysis Program, Chase Manhattan Bank, New York, USA, in 1981. 	<ul style="list-style-type: none"> Former General Manager of the Saudi Industrial Development Fund. Former CEO of the Saudi Technology Development and Investment Company. Former Board Chairman of the Saudi Egyptian Industrial Investments Company (an Egyptian company). Former Board Member of October Pharma (an Egyptian company). Former Board Member of Alexandria Carbon Black Company (an Egyptian company). Former Board Member, Audit Committee and Executive Committee of the Power and Water Utility Company for Jubail and Yanbu. Former Board Vice Chairman and former Audit Committee Chairman of the Arab Industrial Fiber Company (Ibn Rushd). Former Board Member of Al Watania for Industry company, and a Member of the Executive Committee. Former Board Member and Chairman of the Audit Committee, Social Development Bank. Former Member of the Economic Balance Committee (Economical and Development Affairs Council) Former Member, and Chairman of the Audit Committee of National Industrial Clusters program. Former Board Member of the Saudi German Development and Investment Company Limited (SAGECO). Former Board Member of the Saudi Ceramic Company.

Mr. Waleed bin Mohammed bin Mayouf

Current Position	Previous Position
Vice President to CEO for Finance	Director of Enterprise Risk Management and Secretary of the Board of Directors - National Shipping Company of Saudi Arabia (BAHRI)

Qualifications	Experiences:
<ul style="list-style-type: none"> Bachelor's degree in Accounting - College of Administrative Sciences - King Saud University (1990). Diploma in English and Accounting from the Institute of Economics - USA (1994-1995). 	<ul style="list-style-type: none"> Director of Enterprise Risk Management and Secretary of the Board of Directors – Saudi National Shipping Company (BAHRI) CFO - National Chemical Carriers Company (BAHRI Chemicals) Director of Documentary Credits at the Saudi Basic Industries Corporation (SABIC)

Eng. Hatem bin Muhammad Imam

Current Position	Previous Position
Vice President to CEO for Human Resources and Support Services	Head of Human Resources and Administrative Affairs - Saudi Delmon Products Company Limited - Gulf Cooperation Council

Qualifications	Experiences:
<ul style="list-style-type: none"> Higher Diploma in Licensed Aircraft Technician (FFA) - University of Washington - United States - 1999 Bachelor of Business Administration (BBA) - University of Washington - United States - 2001 Bachelor of Computer Science (B.SC) - University of Washington - United States - 2003 Master's of Human Resources (M.SC) - University of Washington - United States - 2004 	<ul style="list-style-type: none"> Vice President of the Human Resources and Shared Services Sector at Tabuk Agricultural Development Company (TADCO) Executive Director of Human Resources and Administrative Affairs at Samaco Motors Company General Manager of Human Resources and Administrative Affairs at key Car Rental Company General Manager of Human Resources and Administrative Affairs at Almarai Company - Western Bakeries (Lusine) General Manager of Human Resources and Administrative Affairs at Attieh Steel Company Limited - Gulf Cooperation Council

Dr. Adeb bin Ahmed Al-Jafari Al-Tayyar

Current Position	Previous Position
Vice President to CEO for Marketing and Sales	Manager of Sales and Marketing - Petro Rabigh Company

Qualifications	Experiences:
<ul style="list-style-type: none"> Higher Diploma in Programming - British Energy Institute - United Kingdom - 1986 Masters of Business Administration (MBA) - University of Hull, United Kingdom - 1998. PH.D. in Marketing - Most University 2012 - United States. 	<ul style="list-style-type: none"> Sales manager for Saudi Arabia and the Arabian Gulf at Obeikan Industrial Company Middle East Sales Manager – SABIC

Eng. Ali bin Yahya Al-Zailaie

Current Position	Previous Position
Vice President to CEO for Manufacturing Member of the Board of Directors of the Cement Knowledge Center for Training	Manager of the Eastern Province Cement Company Plant

Qualifications	Experiences:
<ul style="list-style-type: none"> Bachelor's degree in Applied Chemical Engineering - King Fahd University of Petroleum and Minerals - 2001 Master of Business Administration - Arab Academy for Science, Technology and Maritime Transport - 2010 	<ul style="list-style-type: none"> Laboratory specialist at the Saudi Standards, Metrology and Quality Organization Plant operator at Abdullah Hashem Company for Industrial Equipment and Gases Cement mills supervisor - third line at Yanbu Cement Company Manger of Production and Facilities at Arabian Cement Company

Mr.Nabeel bin Muhammad Baghdadi

Current Position	Previous Position
Advisor to the CEO for Legal Affairs and Governance	Assistant CEO for Legal and Administrative Affairs

Qualifications	Experiences:
<ul style="list-style-type: none"> Master's in Law from King Abdulaziz University, 2002. Bachelor degree in law from King Abdulaziz University, 1992. 	<ul style="list-style-type: none"> Secretary of the Board of Directors of Yanbu Cement Company (session 15-16) Secretary of the Board of Directors of the Yanbu Saudi Kuwaiti paper products Company. Ltd (session 6-7) Secretary of the Audit Committee of Yanbu Cement Company (session 14-15-16) Assistant General Manager for Administrative Affairs at Yanbu Cement Company Senior Director of Legal Affairs Department at Yanbu Cement Company Head of the Personnel Affairs Department at Yanbu Cement Company

Mr. Abdulrahman bin Muhammad Badahdah

Current Position	Previous Position
Vice President to CEO for Supply Chain	General Manager of Supply Chain

Qualifications	Experiences:
<ul style="list-style-type: none"> Master of Business Administration (MBA), Arab Academy for Science and Technology, Egypt, 2008 Bachelor degree in Petroleum Geology and Sedimentology, King Abdulaziz University, 2001 	<ul style="list-style-type: none"> General Manager of Procurement Procurement Manager Head of the Human Resources Planning and Development Department Warehouse Manager

Ownership of the Board of Directors Members and Their Relatives, the Senior Executives, Their Wives and Minor Children in the Shares or Debt Instruments of the Company or Any of its Subsidiaries:

First: Ownership of Board Members in the Shares or Debt Instruments of the Company or any of its subsidiaries:

Yanbu Cement Company- The last six months of the third year -Fifteenth session (from 01/01/2023 until 29/06/2023)

Members of the Board of Directors	No. of Shares & Percentage at 01/01/2023		Net Change		Total No. of shares and ownership Percentage as at 29/06/2023	
	No. of shares	%	No. of shares	%	No. of shares	%
Mr. Fahd bin Sulaiman Al-Rajhi	68,500	0.0435%	7,100	%0.0045	75,600	0.0480%
Mr. Mohammed bin Abdullah Al-Khereiji	9,138	0.0058%	-	-	9,138	0.0058%
Mr. Ali bin Abdullah Alayed	12,000	0.0076%	-	-	12,000	0.0076%
Eng. Riyad bin Abdulrahman Aba Al-Khail	10,370	0.0066 %	-	-	10,370	0.0066 %
Mr. Turki bin Musaed Al-Mubarak	100	0.0001%	-	-	100	0.0001%
Mr. Abdulaziz bin Sulaiman Al-Rajhi	165,020	0.1048%	-	-	165,020	0.1048%
Mr. Salah bin Abdul Rahman Al-Hazami	-	-	-	-	-	-
General Organization for Social Insurance	7,796,250	4.95%	-	-	7,796,250	4.95%
Public Investment Fund	15,750,000	10%	-	-	15,750,000	10%
Social Development Bank	700,000	0.4444%	-	-	700,000	0.4444%

Yanbu Cement Company- The last six months of the First year -sixteenth session (from 30/06/2023 until 31/12/2023)

Members of the Board of Directors	No. of Shares & Percentage as at 30/06/2023		Net Change		Total No. of shares and ownership Percentage as at 31/12/2023	
	No. of shares	%	No. of shares	%	No. of shares	%
Mr. Fahd bin Sulaiman Al-Rajhi	75,600	0.0480%	632,475	%0.4016	708,075	0.4496%
Mr. Mohammed bin Abdullah Al-Khereiji	9,138	0.0058%	-	-	9,138	0.0058%
Mr. Ali bin Abdullah Alayed	12,000	0.0076%	-	-	12,000	0.0076%
Eng. Riyad bin Abdulrahman Abalkhail	10,370	0.0066 %	-	-	10,370	0.0066 %
Mr. Turki bin Musaed Al-Mubarak	100	0.0001%	-	-	100	0.0001%
Mr. Abdulaziz bin Sulaiman Al-Rajhi	165,020	0.1048%	-	-	165,020	0.1048%
Mr. Ibrahim bin Hamad Al-Rashed	-	-	-	-	-	-
Eng. Abdul Aziz bin Abdullah Al-Habardi	500	0.0003%	-	-	500	0.0003%
Mr. Fahd bin Ibrahim Al-Jomaih	-	-	-	-	-	-
Mr. Omar Jahidi	-	-	-	-	-	-

Second: Ownership of Board Members' Relatives, their Wives and Minor Children in the Shares or Debt Instruments of the Company and its Subsidiaries

Names	No. of Shares & Percentage as at 01/01/2023		Net Change 2023		Total No. of shares and ownership Percentage as at 31/12/2023	
	No. of shares	%	No. of shares	%	No. of shares	%
Abdulaziz Fahd Suleiman Al Rajhi	97,154	0.0617%	10,039	0.0064%	107,193	0.0681%
Naglaa Fahd Suleiman Al Rajhi	46,484	0.0295%	4,250	0.0027%	50,734	0.0322%
Al-Jawhara Fahd Sulaiman Al-Rajhi	42,675	0.0271%	7,679	0.0049%	50,354	0.0320%

Third: Ownership of Senior Executives, their Wives and Minor Children

Names	No. of Shares & Percentage as at 01/01/2023		Net Change		Total No. of shares and ownership Percentage as at 31/12/2023	
	No. of shares	%	No. of shares	%	No. of shares	%
Mr. Ali bin Abdullah Alayed	12,000	0.0076%	-	-	12,000	0.0076%
Mr. Nabil bin Muhammad Baghdadi	1,200	0.0008%	-	-	1,200	0.0008%

Remuneration Mechanism

The following must be considered in determining remuneration:

- Fair and commensurate with the activities and responsibilities of the members of the board of directors, committees and executive management,
- Supportive to achieve the strategic objectives of the Board of Directors.
- Based on the recommendation of the Nominations and Remuneration Committee.
- Commensurate with the company's activity and the skills needed to manage it.
- Considering the sector in which the company's operates, its size and complexity, and the experience of the members of the Board of Directors, committees and executive management.
- Reasonably sufficient to retain the members of the Board of Directors, its committees, the executive management, and the ability to attract qualified and experienced persons.
- Directors remunerations shall be commensurate with the number of meetings they attend.
- In all cases, the sum of what a member of the Board of Directors receives in terms of remunerations and financial or in-kind benefits shall not exceed the stipulations of the regulations.
- When forming the membership of the committee, the number of committees that a board member may serve at must be considered, as the total amount paid for the Director's membership in the board of directors and committees shall not exceed the limit decided by the regulations.
- The Board of Directors believes that the remunerations during the fiscal year 2023 were distributed in accordance with the approved policy, and there are no material deviations from it.

Remunerations of the members of the Board of Directors, its committees and the executive management

The annual remunerations for the Board of Directors members, its committees, and the executive management are determined based on the approved policy, and in accordance with the company's Bylaws, the resolution of Shareholders General Assembly and the relevant regulations in this regard, as follows:

First: Remunerations of the board members

The remuneration of the members of the Board of Directors consists of the following:

- A specific amount.
- Allowance for attending Board meetings.
- In-kind benefits.
- A specific percentage of net profits; or
- A combination of two or more of these benefits.

Table of Annual Remuneration and Compensation for Members of the Board of Directors for the Fifteenth Session

Member's Name	Fixed Remuneration					Variable Remuneration									
	Specific amount	Board session attendance allowance	Total allowance for attending committee sessions	In-Kind Benefits	Remuneration for technical work	Remuneration of the chairman, managing director or secretary if he is a member	Total	Percentage of profits	Periodic remuneration	Long-term incentive plan	Short-term incentive plans granted shares	Total	Severance pay	Grand Total	Expense allowance
First: Independent Members															
Mr. Mohammed bin Abdullah Al-Khereiji	200,000	12,000	6,000	-	-	-	218,000	-	-	-	-	-	-	218,000	-
Mr. Ibrahim bin Hamad Al-Rashed	200,000	12,000	9,000	-	-	-	221,000	-	-	-	-	-	-	221,000	-
Eng. Riyadh bin Abdulrahman Aba Al Khail	200,000	12,000	3,000	-	-	-	215,000	-	-	-	-	-	-	215,000	-
Mr. Turki bin MUSAED Al-Mubarak	200,000	12,000	6,000	-	-	-	218,000	-	-	-	-	-	-	218,000	-
Mr. Salah bin Abdulrahman Al-Hazami	200,000	12,000	3,000	-	-	-	215,000	-	-	-	-	-	-	215,000	-
Total	1,000,000	60,000	27,000	-	-	-	1,087,000	-	-	-	-	-	-	1,087,000	-
Second: Non-executive Members															
Mr. Fahd bin Sulaiman Al- Rajhi	200,000	12,000	-	-	-	-	212,000	-	-	-	-	-	-	212,000	-
Mr. Abdulaziz bin Sulaiman Al- Rajhi	200,000	12,000	6,000	-	-	-	218,000	-	-	-	-	-	-	218,000	-
Mr. Fahd bin Saleh Al-Ajlan	200,000	9,000	9,000	-	-	-	218,000	-	-	-	-	-	-	218,000	-
Mr. Basil bin Mune'a Al-Furaihi	200,000	12,000	3,000	-	-	-	215,000	-	-	-	-	-	-	215,000	-
Total	800,000	45,000	18,000	-	-	-	863,000	-	-	-	-	-	-	863,000	-
Third: Executive Members															
Mr. Ali bin Abdullah AlAyed	200,000	12,000	3,000	-	-	-	215,000	-	-	-	-	-	-	215,000	-
Total	200,000	12,000	3,000	-	-	-	215,000	-	-	-	-	-	-	215,000	-

* Remunerations (a specific amount) according to the third year of the Board of Directors fifteenth session that began from 06/2022 to 06/2023

Table of Annual Remuneration and Compensation for Members of the Board of Directors for the Sixteenth Session

Member's Name	Fixed Remuneration					Variable Remuneration									
	Specific amount	Board session attendance allowance	Total allowance for attending committee sessions	In-Kind Benefits	Remuneration for technical work	Remuneration of the chairman, managing director or secretary if he is a member	Total	Percentage of profits	Periodic remuneration	Long-term incentive plan	Short-term incentive plans granted shares	Total	Severance pay	Grand Total	Expense allowance
First: Independent Members															
Mr. Ibrahim bin Hamad Al-Rashed	-	9,000	9,000	-	-	-	18,000	-	-	-	-	-	-	18,000	-
Eng. Riyadh bin Abdulrahman Aba Al Khail	-	9,000	15,000	-	-	-	24,000	-	-	-	-	-	-	24,000	-
Mr. Turki bin MUSAED Al-Mubarak	-	9,000	9,000	-	-	-	18,000	-	-	-	-	-	-	18,000	-
Mr. Fahd bin Ibrahim Al-Jomaih	-	9,000	12,000	-	-	-	21,000	-	-	-	-	-	-	21,000	-
Mr. Omar Jahidi	-	9,000	15,000	-	-	-	24,000	-	-	-	-	-	-	24,000	-
Eng. Abdulaziz bin Abdullah Al-Habardi	-	9,000	15,000	-	-	-	24,000	-	-	-	-	-	-	24,000	-
Total	-	54,000	75,000	-	-	-	129,000	-	-	-	-	-	-	129,000	-
Second: Non-executive members															
Mr. Fahd bin Sulaiman Al- Rajhi	-	9,000	-	-	-	-	9,000	-	-	-	-	-	-	9,000	-
Mr. Mohammed bin Abdullah Al-Khereiji	-	9,000	9,000	-	-	-	18,000	-	-	-	-	-	-	18,000	-
Mr. Abdulaziz bin Sulaiman Al- Rajhi	-	9,000	9,000	-	-	-	18,000	-	-	-	-	-	-	18,000	-
Total	-	27,000	18,000	-	-	-	45,000	-	-	-	-	-	-	45,000	-
Third: Executive members															
Mr. Ali bin Abdullah AlAyed	-	9,000	15,000	-	-	-	24,000	-	-	-	-	-	-	24,000	-
Total	-	9,000	15,000	-	-	-	24,000	-	-	-	-	-	-	24,000	-

* Remunerations (a specific amount) according to the Board of Directors sixteenth session that began from 06/2023 to 06/2024

Second: Remunerations of the Committee members

Remunerations and allowances for committees and allowances for attending committee meetings from 01/01/2023 to 31/12/2023:

Audit Committee Member's - Session (15)	Remuneration 30/06/2022 to 29/06/2023	Allowance for Attending Committee Sessions 01/01/2023 to 29/06/2023	Total
Mr. Fahd bin Saleh Al-Ajlan	120,000	9,000	129,000
Mr. Ibrahim bin Hamad Al-Rashed	120,000	9,000	129,000
Mr. Mohammed bin Farhan bin Nader	120,000	9,000	129,000
Total	360,000	27,000	387,000

Audit Committee Member's - Session (16)	Remuneration* 30/06/2023 to 29/06/2024	Allowance for Attending Committee Sessions 30/06/2023 to 31/12/2023	Total
Mr. Ibrahim bin Hamad Al-Rashed	-	9,000	9,000
Mr. Fahd bin Ibrahim Al-Jomaih	-	9,000	9,000
Mr. Abdulaziz bin Abdullah Al-Naeem	-	9,000	9,000
Total	-	27,000	27,000

(*) Remunerations for the first year of the sixteenth session will be disbursed after the end of the session year on 29/06/2024.

Nomination and Remuneration Committee Members - Session (15)	Remuneration 30/06/2022 to 29/06/2023	Allowance for Attending Committee Sessions 01/01/2023 to 29/06/2023	Total
Mr. Mohammed bin Abdullah Al-Khereiji	100,000	6,000	106,000
Mr. Turki bin MUSAED Al-Mubarak	100,000	6,000	106,000
Mr. Abdulaziz bin Sulaiman Al-Rajhi	100,000	6,000	106,000
Total	300,000	18,000	318,000

Nomination and Remuneration Committee Members - Session (16)	Remuneration* 30/06/2023 to 29/06/2024	Allowance for attending committee sessions 30/06/2023 to 31/12/2023	Total
Mr. Turki bin MUSAED Al-Mubarak	-	9,000	9,000
Mr. Mohammed bin Abdullah Al-Khereiji	-	9,000	9,000
Mr. Abdulaziz bin Sulaiman Al-Rajhi	-	9,000	9,000
Total	-	27,000	27,000

(*) Remunerations for the first year of the sixteenth session will be disbursed after the end of the session year on 29/06/2024.

Executive Committee Members -Session (15)	Remuneration 30/06/2022 to 29/06/2023	Allowance for Attending Committee Sessions 01/01/2023 to 29/06/2023	Total
Eng. Riyadh bin Abdulrahman Aba Al-khail	100,000	3,000	103,000
Mr. Ali bin Abdullah Sulaiman Alayed	100,000	3,000	103,000
Mr. Basel bin Muneah Al-Fraihi	100,000	3,000	103,000
Mr. Salah bin Abdulrahman Al-Huzami	100,000	3,000	103,000
Total	400,000	12,000	412,000

Executive Committee Members- Session (16)	Remuneration* 30/06/2023 to 29/06/2024	Allowance for Attending Committee Sessions 30/06/2023 to 31/12/2023	Total
Eng. Riyadh bin Abdulrahman Aba Al Khail	-	15,000	15,000
Mr. Ali bin Abdullah AlAyed	-	15,000	15,000
Eng. Abdulaziz bin Abdullah Al-Habardi	-	15,000	15,000
Mr. Omar Jahidi	-	15,000	15,000
Total	-	60,000	60,000

(*) Remunerations for the first year of the sixteenth session will be disbursed after the end of the session year on 29/06/2024.



Third: Remunerations of the Executive Management

The Executive management is responsible for managing the day-to-day operations of the company, proposing and implementing strategic decisions. Which includes the Chief Executive Officer, Chief Financial Officer, and Vice Presidents to Chief Executive Officer. The following provisions apply to their remuneration:

- The Nomination and Remunerations Committee submits its recommendations to the Board of Directors for approval regarding the remunerations and increments of the executive management.
- The Board of Directors sets indicators for evaluating the performance of the executive management based on the recommendation of the Nominations and Remuneration Committee.
- The Nomination and Remunerations Committee submits its recommendations to the Board of Directors for approval regarding the key performance indicators for the executive management for approval, and they shall be linked with the remunerations.
- The Nomination and Remunerations Committee submits its recommendation to the Board of Directors for approval, based on the CEO's suggestion of the annual remunerations for the executive management and the Company's employees.

Senior Executives Remunerations paid in 2023 (Thousand SAR):

Positions of Senior Executives	Fixed Remunerations					Variable Remunerations							Grand total
	Salaries	Allowances	Benefits	Total	Bonuses	Profits	Short-term incentive plan	Long-term incentive plan	Value of granted shares	Total	Severance pay	Total executive remuneration for the board	
Chief Executive Officer	1,896	632	350	2,878	459	-	-	-	-	-	120	239	3,696
VP to CEO for Finance	1,135	378	208	1,721	284	-	-	-	-	-	72	-	2,077
VP to CEO for Human Resources and Support Services (Resigned)*	1,766	589	129	2,484	-	-	-	-	-	-	77	-	2,561
VP to CEO for Sales and Marketing	851	284	156	1,291	213	-	-	-	-	-	54	-	1,558
VP to CEO for Supply Chain	922	92	169	1,183	192	-	-	-	-	-	49	-	1,424
VP to CEO for Manufacturing	483	161	89	733	121	-	-	-	-	-	61	-	915
Advisor to CEO for Legal Affairs and Governance	696	232	93	1,021	174	-	-	-	-	-	85	-	1,280
Total	7,749	2,368	1,194	11,311	1,443	-	-	-	-	-	518	239	13,511

*The Resigned VP to CEO for Human Resources and Support Services at 30/09/2023

** The VP to CEO for Human Resources and Support Services assigned at 01/10/2023

General Assemblies of Shareholders During 2023 and the Present Members of the Board of Directors

Name	Position	Classification	Attendance record of Ordinary General Meeting No. (44) 25/5/2023	
			Meeting No. (44) 25/5/2023	Total attendance
Mr. Fahd bin Sulaiman Al-Rajhi	Chairman of Board of Directors	Non-executive	Attended	1
Mr. Mohammed bin Abdullah Al-Khereiji	Vice Chairman of the Board	independent	Attended	1
Mr. Fahd bin Saleh Al-Ajlan	member	Non-executive	Attended	1
Mr. Ibrahim bin Hamad Al-Rashed	member	independent	Attended	1
Eng. Riyadh bin Abdulrahman Aba Al-Khail	member	independent	Attended	1
Mr. Turki bin MUSAED Al-Mubarak	member	independent	Attended	1
Mr. Abdulaziz bin Sulaiman Al- Rajhi	member	Non-executive	Attended	1
Mr. Ali bin Abdullah Alayed	Member of the Board of Directors and Chief Executive Officer	executive	Attended	1
Mr. Basil bin Muneah Al-Furaihi	Member	Non-executive	Attended	1
Mr. Salah bin Abdulrahman Al-Hazami	Member	independent	Attended	1

Shareholder rights and investor relations

Shareholder Relations

In order to enhance YCC's relationship with its stakeholders, whether on the external level, represented by shareholders, investors, customers, and society, or on the internal level, which is represented by the Company's employees, who are partners in success and a major reason for its growth and prosperity while believing in the importance of corporate governance that aims to protect shareholders' rights, YCC has given top priority to caring and attention to preserve their rights and enable them to practice the same by developing strategic plans and goals to achieve both sustainability and balance between institutional, social and environmental governance and developing programs to ensure this balance.

Enabling shareholders and investors to obtain information

Yanbu Cement Company publishes financial reports, announcements and fundamental resolutions through the the Capital Market Website "Tadawul" and the annual report of its board of directors. There is also a special department to follow up on shareholders' affairs and respond to their inquiries.

Measures taken by the Board of Directors to inform its members (especially non-executives) of shareholders' proposals and observations regarding YCC and its performance.

Procedures Taken by the Board to Inform its Members, Non-Executive Directors in Particular, of Shareholders' Suggestions and Remarks on the Company and its Performance:

In its meetings, the Board reviews the shareholders' remarks, questions, and inquiries, if any, through the Department of Shareholders' Relations in the company, as well as through shareholders' questions at the general assemblies.

The Number of the Company's Requests of Shareholders Registry, Dates and Reasons thereof

The number of company requests for the shareholders' register	Date of Request	Reasons for request
1	15/01/2023	Company procedures
2	21/03/2023	Company procedures
3	27/04/2023	Other
4	30/04/2023	Company procedures
5	25/05/2023	General Assembly
6	04/06/2023	Profits register

Company Announcements on Tadawul Website

Title of the Announcement	Date of Announcement
• Announcing the Annual consolidated financial results for the period ended on 31-12-2022	14/3/2023
• Announcing the opening of the nominations period for the board of director membership in the Board of Directors for the next session	20/3/2023
• Corrective announcement regarding the opening of nominations period for the Board of Directors membership for the next term	22/3/2023
• Announcing the extension of the nomination period for membership of the Board of Directors for the next session	17/4/2023
• YCC announces its invitation to its shareholders to attend the ordinary general assembly meeting (first meeting) via modern technology	4/5/2023
• Announcing the interim condensed consolidated financial results for the period ending on 31-03-2023 (Three months)	17/5/2023
• Announcing the start of electronic voting on the Agenda of the Ordinary General Assembly Meeting (the first meeting) via modern technology	21/5/2023
• Announcing the results of the Ordinary General Assembly meeting (first meeting)	28/5/2023
• Announcing the distribution of cash dividends to shareholders for the first half of 2023	29/5/2023
• Announcing the appointment of the Chairman of the Board of Directors, the Vice Chairman of the Board, and the Secretary of the Board, and the formation of the committees emanating from the Board of Directors.	12/7/2023
• Announcing the interim condensed consolidated financial results for the period ending on 30-06-2023 (six months)	02/8/2023
• Announcing the interim condensed consolidated financial results for the period ending on 30-09-2023 (Nine months)	31/10/2023

Any Penalty, Sanction, Precautionary Measure, or Precautionary Restriction Imposed by the Authority or by any Other Supervisory, Regulatory, or Judicial body:

The party imposing the penalty or sanction	Reason	Penalty	Action taken by YCC
None			

Results of the Annual Review of the Internal Control Procedures Effectiveness

The Audit Committee's Opinion on the Adequacy of the Company's Internal Control System:

Given the importance of internal audit, which is one of the foremost principle basics in protecting The Company's assets and supporting it in achieving its goals, the Board of Directors works to verify the effectiveness of these procedures through its annual audit, as sound financial, operational and administrative audit procedures are sufficient to reduce to reduce the risks of misuse of assets of the Company and the impact on its business, hence the importance of auditing these procedures on an annual basis to verify their effectiveness and efficiency, and making the necessary amendments to those procedures.

The Board of Directors' believes in the importance of internal audit and paid great attention to the internal audit procedures by assigning the Audit Committee to supervise the work of the Internal Audit Department in order to ensure the proper implementation of the approved risk-based internal audit plan for the fiscal year ending on 12/31/2023.

Board of Directors Declarations

Declaration

in accordance with the available information and in light of the report developed by the external auditor, current market information, as well as future indicators, the Board of Directors of Yanbu Cement Company (YCC) does hereby acknowledges the following:

- The accounting records have been properly prepared according to accounting standards issued by the Saudi Organization for Certified Public Accountants.
- The internal control system was set up on a proper basis and has been effectively implemented.
- The financial position and results of the company business/operations confirm its ability to continue its business/operations.
- There are no business or contracts wherein the company is a party nor an interest for any of the members of the Board of Directors, senior executives, or any person related to them.
- There are no competing business with the Company or any of its activities that any member of the Board is engaging in or was engaging in such competing businesses.

Conclusion

In conclusion, this report aimed to present the most important achievements of the Yanbu Cement Company and its most prominent works and initiatives during the year, in which many achievements were attained in line with Saudi Vision 2030, in order to continue strengthening the Kingdom's global position and bringing it to the ranks of developed countries globally in the field of industry and cement. We extend our sincere thanks to the investors and shareholders for their precious trust that they have entrusted to the management of Yanbu Cement Company, asking Allah Almighty to protect the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, and his faithful Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz, and to grant them success and ease what is best for this country and its citizens.

We also ask Allah Almighty to preserve this country, protect it from all harm, and perpetuate the blessing of security, safety and peace.

The Board of Directors also extends its thanks and gratitude to all the Company's employees for their hard work and dedication in order to maintain the company's continued prosperity and progress.

May Allah grants success,

May the peace, mercy and blessings of Allah be upon you.

The Board of Directors

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

