



The Board of Directors of Saudi Cement Company Invites its Shareholders to Attend the Extraordinary General Assembly (First Meeting) Virtual Meeting

The Board of Directors of Saudi Cement Company would like to invite its shareholders to attend the Extraordinary General Assembly meeting to participate and vote, which is scheduled to be held at 19:00 PM in the evening on Wednesday 15 / 10 / 1445 AH corresponding to 24 / 04 / 2024 G from the company's headquarter in Dammam, Online via Tadawulaty Platform (<http://tadawulaty.com.sa>),

In order to consider the following agenda:

- 1 : View and discuss the Board of directors' report for the year ended 31 December 2023.
- 2 : View and discuss the Consolidated Financial Statements for the fiscal year ended on 31 December 2023.
- 3 : Vote to approve the External Auditors report for the year ended on 31 December 2023 after discussing it.
- 4 : Vote on the discharge of Board of Directors members from liabilities for their management of the company during the financial year ended 31 December 2023.
- 5 : Vote on appointing an external auditor for the company among the nominees based on the recommendation of the Audit committee to review and audit the second and third quarters and yearend of 2024, in addition to first quarter of 2025 financial statements and determine their fees.
- 6 : Vote on the Board of Director's recommendation to distribute cash dividends to the shareholders for second half of 2023, at (1) Riyals per share which is equivalent to (10 %) of the company's share capital with a total amount of (153) million riyals provided the eligibility for dividend will be to the company's shareholders who own the shares at the end of the day of general assembly and who are registered in the Company's shareholders register at Securities Depository Centre (Edaa) by the end of the second trading day following the entitlement date, and The distribution date will be at 08-05-2024 corresponding to 29-10-1445.
- 7 : Vote on disbursement of SAR 5,237,473 (Five million two hundred and thirty-seven thousand four hundred and seventy-three Saudi riyals) as remuneration to the board members for the fiscal year of 2023.
- 8 : Vote on the business and contracts that will be concluded between the company and Cement Industry Products Company Ltd., which is the member of the Board of Directors and CEO , Mr. Mohammad bin Ali Al-Garni, has an indirect interest in (related party), noting that the amount of the transaction for the year 2023 amounted to 44,105,490 Saudi riyals, which is the purchase of empty cement bags, and there are no preferential terms for this type of contract . (attached)
- 9 : Vote on the business and contracts that will be concluded between the company and Wataniya Insurance Company, which is the member of the Board of Directors Mr. Amin bin Musa Al-Afifi has an indirect interest in (related party), noting that the amount of the transaction for the year 2023 amounted to 8,202,518 Saudi riyals, which is an insurance coverage of the company's property except for medical insurance, there are no preferential terms for this type of contract. (attached)
- 10 : Vote on authorizing the Board of Directors to distribute interim cash dividends to the shareholders on biannual or quarterly basis for the financial year 2024.
- 11 : Vote on authorizing the Board of Directors with the powers of the Ordinary General Assembly, with the permission mentioned in clause (1) of Article 27 of the Companies law, for a period of one year from the date of approval by the General Assembly or until the end of the session of the delegated Board of Directors, whichever is earlier, in accordance with the conditions stipulated in the executive regulations of the companies law for listed joint stock companies



- 12 : Vote on authorizing the Board of Directors with the powers of the Ordinary General Assembly, with the permission mentioned in clause (2) of Article 27 of the Companies Law, for a period of one year from the date of approval by the General Assembly or until the end of the session of the delegated Board of Directors, whichever is earlier, in accordance with the provisions of the Companies Law and its executive regulations for listed joint stock companies, and the competitive business and activities mentioned in the Regulations on Competitive Activity Standards.(Attached)
- 13 : Vote on the amendment of the Nomination and Remuneration Committee Regulations. (attached)
- 14 : Vote on the amendment of the Regulations on Remuneration of the Members of the Board of Directors, Its Committees and the Executive Management (attached).
- 15 : Vote on transferring the statutory reserve balance of SAR 459 million as stated in the financial statements for the year ended 31 December 2023 to the balance of retained earnings.

According to the rules and regulations, shareholders registered in the company's shareholders register at Edaa Center at the end of the trading session prior the Meeting are entitled to attend the General Assembly Meeting, Shareholders have the right to inquire and discuss the topics on the agenda of the General Assembly. Note that the eligibility for registering the attendance of the General Assembly's Meeting ends upon the convenience of the General Assembly's Meeting. Eligibility for voting on the business of the meeting agenda ends upon the counting committee concludes counting the votes. The Extraordinary General Assembly meeting shall be valid if attended by shareholders representing at least half of the Company's capital. In the absence of a quorum required for holding the meeting, a second meeting will be held one hour after the end of the period specified for the first meeting. The second meeting shall be valid if attended by shareholders representing at least one-fourth of the Company's capital.

The company assures to all of its shareholders that registration and voting are limited to the assembly's items through (electronic voting), which will be available to shareholders registered on the Tadawulaty Platform from 01:00 am in the morning on Saturday 11 Shawwal 1445 (April 20, 2024) until the end of convening time of the assembly, noting that registration and voting in Tadawulaty, is available free of charge to all shareholders using the following link (<http://tadawulaty.com.sa>)

For Any questions or quires kindly contact the Shareholder Relationships during business hours from 07:00 am to 03:00 pm. During Ramadan working hours starts from 9:00 a.m. to 3:00 p.m. at:

0138358033 or
0539168715 or
saudicement@saudicement.com.sa



Audit Committee Report for the year 2023

Number: R11/ -2402

Date: 20 Rajab 1445 (01 February 2024)

Excellencies / The Chairman and the members of the Board of Directors

Subject: The Audit Committee Report for the year 2023

Based on "Article 88" of the Corporate Governance Regulations issued by the Board of the Capital Market Authority and the related articles of the Audit Committee's regulations, responsibilities and tasks, the audit committee report for the year 2023 was prepared as shown below:

The Audit Committee shall be competent in monitoring the company's activities aiming to assist the Board of Directors in fulfilling their responsibilities and ensuring the integrity and accuracy of reports and financial statements, and also, ensure the integrity, effectiveness and adequacy of internal control systems, and to make any recommendations that would develop and improve the systems to achieve the company's objectives and protect the interests of the shareholders, investors and other stakeholders with high efficiency and reasonable cost.

In this regard, during the year, from 1st / January/2023 to 31/ December/2023, the Audit Committee held Five (5) meetings, in these meetings the committee discussed many topics that were related to its tasks, responsibilities, and the activities of the Internal Audit Department, and in the presence of the officials from the Internal Audit Department and also, in the presence of the External Auditor's representative when discussing the financial statements , as well as requesting some clarifications from some other related departments in the company.

The Audit Committee thanks the company's management for enabling the Internal Audit department personnel to carry out their tasks & works as per the requirements, which enabled the Audit Committee members to fulfil their tasks and responsibilities in an appropriate manner. The tasks and the works carried out by the Audit Committee during the year 2023, are presented as below:

1. Approving the Internal Audit Department audit plan and following-up its execution:

Based on their experience, The Internal Audit Department has updated the overall strategic audit plan, which is based on the risk assessment to determine the audit assignment that the Internal Audit Department must perform. To achieve this, Internal Audit Department studied the operational activities of all departments of the company, and assessed the risks associated with these operations.

Based on the detailed overall strategic audit plan, the Internal Audit Department prepared its annual audit plan for the year 2023 which was approved by the Audit Committee. The Internal Audit personnel executed the annual audit plan by auditing several company's operations, processes, and activities. The Audit Committee follow-up the execution of the internal audit plan on a regular basis.

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(شركة مساهمة سعودية)

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(A Saudi Joint Stock Company)

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2. Audit Assignments performed during the year 2022

Internal Audit Department executed several assignments, as per the Audit Plan approved by the Audit Committee. These assignments involve various departments of the company.

The following are the major activities, processes or departments that have been audited/reviewed and their reports were discussed by the Audit Committee during the year 2023:

- 1- The report of the review Internal Controls Over Financial Reporting – GL Activities for the Year Ended 2022.
- 2- The report of the review of fixed assets – PPE- properties, plant & equipment's activities.
- 3- The report of Physical Counts & review of Operation of Cash/Visa Funds activities.
- 4- Discuss the policies & procedures for reporting the acts or practices that violate laws and regulations.
- 5- Automation of audit activities to enhance the coverage of data analysis, transaction verification, and perform more audit-specific tasks across all business processes and activities.

The committee has taken the necessary measures regarding the observations & recommendations contained in the above Audit Reports and is following-up the implementation of the corrective actions/measures, periodically, through follow-up reports from the Internal Audit Department.

3. Follow-up Reporting- the Review of Actions Taken on Audit Observations of previously issued audit reports:

The audit committee has taken the necessary measures to follow up the corrective actions/measures taken regarding the observations contained in the previously issued audit reports, with the aim of ensuring that these necessary corrective actions/measures have been taken by the concerned management. The committee has put in practice a reasonable mechanism for the follow-up reporting in an appropriate professional manner, through a procedure that the Internal Audit Department submits a periodic report to the committee members in their periodic meetings explaining the corrective measures that have been implemented and those that have not been implemented and the reasons for non-implementation.

The table below summarizes the total number of observations shown in the previously issued Audit Reports for the last previous five (5) years and the status of their agreed corrective measures:

Year	Status of the Observations			Total Observations
	Observation that their corrective measures are due		Observation that their corrective measures are NOT yet due	
	Fully Implemented	Partially implemented		
2019	17	0	0	17
2020	21	1	0	22
2021	19	4	0	23
2022	5	1	0	6
2023	1	0	3	4
Totals	63	6	3	72



4. Discussed the Interim Financial Statements for year 2022, and the annual for year 2021:

The Preparation of the Financial Statements in accordance with generally accepted accounting standards -IFRS- is the responsibility of the company's management, and the external auditor's responsibility is to express an opinion on these Financial Statements. One of the tasks of the Audit Committee is to discuss and study the annual and interim financial statements before presenting them to the Board of Directors and express opinions and recommendations regarding them to ensure their integrity, fairness, and transparency, in coordination with the company's external auditor. And the internal auditor.

In this regard and during the year 2023, the Audit Committee discussed the interim financial statements for the 1st, 2nd, and 3rd quarters of the year 2023 and the annual financial statements for the year 2022, before presenting them to the Board of Directors, and in the presence of the company's external auditor and internal auditor. The committee recommended to the Board of Directors to approve these Interims and annual financial statements in preparation for announcing them, as the Audit Committee, during its discussion, did not become aware of any of the matters that prevent the announcement and must be reported to the Board of Directors.

5. Recommending to the Board of Directors the nomination of External Auditors:

Annually, the Audit Committee selects- at least – five external auditors, who are authorized to audit the joint stock companies' Financial Statements, for the company's management to invite them to submit a quotation proposal to audit company's financials. Then, the Internal Audit Department prepares and analyzes the received offers and submits the analysis to the audit committee.

The audit committee studies the analysis & comparison of the offers and nominates at least (2) auditors to audit the company's Financials. The Committee indicates the basis on which the nomination was made and prepare a report to be presented to the Board of Directors in which it shows a summary of the result of the analysis of the offers.

In this regard the Committee have done the followings:

- a) The Committee recommended to the Board of Directors the nomination of the external auditors, Messrs. KPMG for Professional Service Company (KPMG), OR Messrs. Ibrahim Ahmed Al-Bassam & Co. (Al-Bassam & Co.) (PKF), to audit the company's Financial Statements for the year 2023.
- b) The Committee selected Seven (7) External Auditors who are authorized to audit the Financial Statements of the joint-stock companies- as per Capital Market Authority, CMA- and invited them to submit their proposals to audit the company's Financial Statements for the year 2024. The committee studied and analyzed the offers received from the external auditors and recommended to the Board of Directors the nomination of two (2) auditors for the General Assembly to select One (1) or both to audit the company's Financial Statements of the year 2024.
- c) The committee discussed the external auditor's Management Letter observations as part of the presentation that the external auditor made to the committee during the discussion of the interims and annual financial statements.



6. The adequacy of the company's internal and financial control systems:

Based on the approved annual audit plan, Internal Audit Department of the company conducts a periodic reviews and audits of the various Activities/Departments of the company, including the evaluation of the company's internal control systems. Also, the external auditors of the company perform the statutory audit and review of the Financial Statements and issues a management letter in which they state the improvements-if any- that deem necessary in the internal control systems related to the preparation of the Financial Statements.

During the year 2023, both the Internal Audit Department and the External Auditor properly performed, their audits and reviews in accordance with the plans approved by the audit committee. Based on what was submitted by the Internal Audit Department within their audit plan approved by the committee and based on what was discussed by the audit committee in relation to the Interims and Annual Financial Statements, the Audit Committee was not aware of any material weakness, of a material impact that may be mentioned in this report.

Based on the results of the audits and reviews of the assignments/processes/ activities etc. performed during the year 2023, and based on what was included and discussed in the audit reports submitted to the committee by the Internal Audit Department and External Auditors, the Committee evaluation of the internal and financial control systems of the company did not show any material weakness, and the Committee believes that the management has maintained an effective system of internal control and that the scope and the volume of the audited assignments /processes/ activities etc. and the discussions made by the audit committee during its meetings, all of these, have provided the Committee members with a reasonable basis for their opinion.

The Audit Committee Members:

18/02/2024 3:04 PM

Mr. Hamad Abdullah Al-Olayan
Chairman of the Audit Committee

14/02/2024 12:35 PM

Mr. Mansour Mohammed Balghonaim
Member of the Audit Committee

15/02/2024 7:23 AM

Dr. Ahmed A. A. Al-Maghames
Member of the Audit Committee

Ali A.A.



KPMG Professional Services

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Al Khobar, 34412 - 3146
Kingdom of Saudi Arabia
Commercial Registration No 2051062328

كي بي إم جي للاستشارات المهنية

الطابق ١٦، برج البرغاش
٦١٨٩ طريق الأمير تركي، الكورنيش
ص.ب. ٤٨٠٣
الخبير ٣١٤٦ - ٣٤٤١٢
المملكة العربية السعودية
سجل تجاري رقم ٢٠٥١٠٦٢٣٢٨

Headquarters in Riyadh

المركز الرئيسي في الرياض

Independent Limited Assurance Report to Saudi Cement Company on the Declaration by Board of Directors on the Requirements of Article 71 of the Companies Law

To the Shareholders of Saudi Cement Company

We were engaged by the management of Saudi Cement Company (the “Company”) to report on the declaration by Board of Directors prepared by the Management in accordance with the requirements of Article 71 of the Companies Law, which comprises the transactions carried out by the Company during the year ended 31 December 2023 in which any of the members of Board of Directors of the Company had direct or indirect personal interest as detailed below (“Subject Matter”) and the accompanying management’s statement thereon as set out in Appendix 1, in the form of an independent limited assurance conclusion that based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter is not properly prepared, in all material respects, based on the applicable criteria (“Applicable Criteria”) below.

Subject Matter

The Subject Matter for our limited assurance engagement is related to the declaration by the Board of Directors enclosed in the attached Appendix 1 (the “Declaration”) prepared by the Management in accordance with the requirements of Article 71 of the Companies Law, presented by the Board of Directors of Saudi Cement Company (the “Company”), which comprises the transactions carried out by the Company during the year ended 31 December 2023 in which any of the members of Board of Directors of the Company had direct or indirect personal interest.

Applicable Criteria

We have used the following as the Applicable Criteria:

1. Article 71 of the Companies Law issued by Ministry of Commerce (“MOC”).

Saudi Cement Company’s Responsibility

The management of the Company is responsible for preparing the Subject Matter information that is free from material misstatement in accordance with the Applicable Criteria and for the information contained therein. The management the Company is also responsible for preparing the Subject Matter information (i.e. Appendix 1).

This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of the Subject Matter that information is free from material misstatement, whether due to fraud or error. It also includes selecting the Applicable Criteria and ensuring that the Company complies with the Companies Law; designing, implementing and effectively operating controls to achieve the stated control objectives; selecting and applying policies; making judgments and estimates that are reasonable in the circumstances; and maintaining adequate records in relation to the Subject Matter information.

The management of the Company is also responsible for preventing and detecting fraud and for identifying and ensuring that the Company complies with laws and regulations applicable to its activities. The management of the Company is responsible for ensuring that staff involved with the preparation of the Subject Matter information are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

KPMG Professional Services, a professional closed joint stock company registered in the Kingdom of Saudi Arabia with a paid-up capital of SAR 40,000,000 (previously known as “KPMG Al Fozan & Partners Certified Public Accountants”) and a non-partner member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

كي بي إم جي للاستشارات المهنية شركة مهنية مساهمة مغلقة، منسجلة في المملكة العربية السعودية، رأس مالها (٤٠٠٠٠٠٠٠٠) ريال سعودي مدفوع بالكامل، المسماة سابقاً “شركة كي بي إم جي الفوزان وشركاء محاسبون ومرجعون قانونيون”. وهي عضو غير شريك في الشبكة العالمية لشركات كي بي إم جي المستقلة والتابعة لـ كي بي إم جي العالمية المحدودة، شركة انجليزية محدودة بضمان. جميع الحقوق محفوظة.

Commercial Registration of the headquarters in Riyadh is 1010425494.



Independent Limited Assurance Report to Saudi Cement Company on the Declaration by Board of Directors on the Requirements of Article 71 of the Companies Law

To the Shareholders of Saudi Cement Company (continued)

Our Responsibility

Our responsibility is to examine the Subject Matter information prepared by the Company and to report thereon in the form of an independent limited assurance conclusion based on the evidence obtained. We conducted our engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" endorsed in the Kingdom of Saudi Arabia and the terms and conditions for this engagement as agreed with the Company's management. That standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether the Subject Matter information is properly prepared, in all material respects, as the basis for our limited assurance conclusion.

The firm applies International Standard on Quality Management 1 which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on our understanding of the Subject Matter and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise.

In obtaining an understanding of the Subject Matter and other engagement circumstances, we have considered the process used to prepare the Subject Matter information in order to design assurance procedures that are appropriate in the circumstances, but not for the purposes of expressing a conclusion as to the effectiveness of the Company's process or internal control over the preparation and presentation of the Subject Matter information.

Our engagement also included: assessing the appropriateness of the Subject Matter, the suitability of the criteria used by the Company in preparing the Subject Matter information in the circumstances of the engagement, evaluating the appropriateness of the procedures used in the preparation of the Subject Matter information and the reasonableness of estimates made by the Company.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform procedures to identify additional procedures that would have been performed if this were a reasonable assurance engagement.

As part of this engagement, we have not performed any procedures by way of audit, review or verification of the Subject Matter information nor of the underlying records or other sources from which the Subject Matter information was extracted.

Procedures Performed

Our procedures performed are as follows:

- Obtained the declaration that includes the transactions and/or contracts performed in which any of the BoD members of the Company has either direct or indirect interest during the year ended 31 December 2023.
- Reviewed the minutes of meetings of the BoD that indicate notifications to the BoD by certain director(s) of actual or potential conflicts of direct or indirect interest in relation to transactions and/or contracts involving the BoD member.
- Checked that the minutes of meetings of the BoD that the relevant directors who notified the BoD of actual or potential conflicts of direct or indirect interest did not vote on the resolution to recommend the related transactions and/or contracts;
- On a sample basis, obtained the required approvals along with supporting documents in respect of the transactions and/or contracts included in the declaration; and
- Checked the transaction amounts included in the Declaration agree, where applicable, to the transaction amounts disclosed in note 27 to the audited consolidated financial statements of the Company for the year ended 31 December 2023.



Independent Limited Assurance Report to Saudi Cement Company on the Declaration by Board of Directors on the Requirements of Article 71 of the Companies Law

To the Shareholders of Saudi Cement Company (continued)

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the Subject Matter information is not prepared, in all material respects, in accordance with the Applicable Criteria.

Restriction of Use of Our report

Our report should not be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company and MOC for any purpose or in any context. Any party other than the Company and MOC who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk. To the fullest extent permitted by law, we accept or assume no responsibility and deny any liability to any party other than the Company and MOC for our work, for this independent limited assurance report, or for the conclusions we have reached.

Our report is released to the Company and MOC on the basis that it shall not be copied, referred to or disclosed, in whole (save for the Company's own internal purposes) or in part, without our prior written consent.

KPMG Professional Services

Nasser Ahmed Al Shutairy
License No: 454



Al Khobar, 11 March 2024G
Corresponding to: 1 Ramadan 1445H



Ref.: R10-09- 0224

Date: 26 Rajab 1445 (07 February 2024)

M/S.: Honorable Shareholders of Saudi Cement Company
General Assembly of Saudi Cement Company

Greetings,

With reference to clause (1) of Article (27) of the Companies Law which stipulates that "A company's manager or board member may not have any direct or indirect interest in the transactions conducted and contracts concluded for the company's account without the authorization of the partners, general assembly, or shareholders or their designees." and in reference to clause (1) of Article (71) of the Companies Law, which stipulates that "... The board shall notify the general assembly, when it convenes, of the transactions and contracts in which such board member has direct or indirect interest..." and with reference to Clause (15) of Article (21) of the Corporate Governance Regulations, which stipulates the following: "Notifying the Ordinary General Assembly when convened of the businesses and contracts in which any Board member has a direct or indirect interest...". Accordingly, we would like to inform you hereby that there is an indirect interest of the Board Member Mr. Mohammed Ali AlGarni in a contract concluded with the Company in 2023 (Party with indirect interest) as per the table below:

Member name	Company-related entity	Type of relationship in the entity	Type of relationship between the Company and entity	Contract Term	Transaction value in 2023	Remarks
Mohammed Ali AlGarni	Cement Product Industry Ltd. Company (CPI)	Board member	Purchase of empty cement bags	One year	44,105,490 SAR	There are no privileged conditions for this type of contract.

The Board of Directors decided to present to the General Assembly a request for approval of the contract described above.

Allah is the Arbiter of Success.

07/02/2024 3:17 PM

Khalid Abdulrahman Al Abdulkarim

12/02/2024 11:15 AM

Amin Mousa Al Afifi

07/02/2024 12:51 PM

Hamad Abdulla Olayan

Not Cast

07/02/2024 12:49 PM

Abdulrahman Sulaiman Al-Rajhi

Mubarak Jaber AlMuhimead

07/02/2024 12:38 PM

Mansour Mohammed Balghonaim

07/02/2024 10:40 PM

Saleh Mohammad Al-Mohana

07/02/2024 2:32 PM

Abdulaziz Hatem Aljuffali

12/02/2024 10:51 AM

Mohammed Abdulkarim Alkhereiji
Vice Chairman

07/02/2024 1:54 PM

Khalid Abdulrahman Al Rajhi
Chairman of the Board of Directors



Ref.: R10-08- 0224

Date: 26 Rajab 1445 (07 February 2024)

M/S.: Honorable Shareholders of Saudi Cement Company
General Assembly of Saudi Cement Company

Greetings,

With reference to clause (1) of Article (27) of the Companies Law which stipulates that "A company's manager or board member may not have any direct or indirect interest in the transactions conducted and contracts concluded for the company's account without the authorization of the partners, general assembly, or shareholders or their designees." and in reference to clause (1) of Article (71) of the Companies Law, which stipulates that "... The board shall notify the general assembly, when it convenes, of the transactions and contracts in which such board member has direct or indirect interest..." and with reference to Clause (15) of Article (21) of the Corporate Governance Regulations, which stipulates the following: "Notifying the Ordinary General Assembly when convened of the businesses and contracts in which any Board member has a direct or indirect interest...". Accordingly, we would like to inform you hereby that there is an indirect interest of the Board Member Mr. Amin Mousa AlAfifi in a contract concluded with the Company in 2023 (Party with indirect interest) as per the table below:

Member name	Company-related entity	Type of relationship in the entity	Type of relationship between the Company and entity	Contract Term	Transaction value in 2023	Remarks
Amin Mousa AlAfifi	Wataniya Insurance Company	Board member	Insurance coverage for the Company property, except for medical insurance	One year	8,202,518 SAR	There are no privileged conditions for this type of contract.

The Board of Directors decided to present to the General Assembly a request for approval of the contract described above.

Allah is the Arbiter of Success.

07/02/2024 3:18 PM

Khalid Abdulrahman Al Abdulkarim

07/02/2024 12:51 PM

Hamad Abdulla Olayan

24/03/2024 11:03 AM

Abdulrahman Sulaiman Al-Rajhi

07/02/2024 12:50 PM

Mubarak Jaber AlMuhimead

07/02/2024 2:14 PM

Mohammed Ali AlGarni

07/02/2024 12:37 PM

Mansour Mohammed Balghonaim

07/02/2024 10:41 PM

Saleh Mohammad Al-Mohana

07/02/2024 2:32 PM

Abdulaziz Hatem Aljuffali

12/02/2024 10:51 AM

Mohammed Abdulkarim Alkhereiji
Vice Chairman

07/02/2024 1:55 PM

Khalid Abdulrahman Al Rajhi
Chairman of the Board of Directors

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الإسمنت السعودية
SAUDI CEMENT



Regulations on Competitive Activity Standards

Preamble:

These Regulations have been laid down in application of provisions of Article (27) of the Companies Law and Article (44) of the Corporate Governance Regulations, to define competition standards to the Company's activities and regulating procedures for rules of involvement of Company's board members and Board Committees Members in competitive activity, according to objectives of the Company as mentioned in Article (3) of the Company's Bylaws, and objectives of the Company's affiliates, noting that cases of competitive activity of the Board Members will be dealt with in view of the provisions of these standards.

First: Definitions:

The following terms and phrases, wherever mentioned in these Regulations, shall have the meanings assigned to each, unless the context otherwise requires:

Company (SCC): Saudi Cement Company.

Board: the board of directors of Saudi Cement Company entrusted with management of the Company to achieve interests of shareholders.

Board Member: the Board Member appointed under nomination by the General Assembly or appointed by the Board of Directors as a replacement member in the vacant office.

Entity/ Enterprise: the establishment or company in whatever legal form, or any other corporate body having financial liability.

Competitor: the entity which engages in manufacturing, producing, marketing or distributing all types and derivatives of cement or clinker, blocks, concrete and other industries associated with use of cement and clinker, activities of affiliates or any entity which engages in an activity that is directly or indirectly linked to the activities above mentioned.

Competitive Activity: any activity practiced by the competitor.

Committee Member: the member of a board committee.

Committee/ Board Committee: the committees formed by the Board of Directors, whose membership includes members from the Board or from outside of the Board, except for the Company's employees.

Second: Scope of Application

Provisions of these Regulations shall apply to Board Members of the Company and Members of Board Committees.

Third: Competitive Activity Standards:

Competitive Activity Standards of the Company and its affiliates that are banned to the Board Members or any of Board Committees Members are as follows:

1. The establishment of a company or sole proprietorship or possession of 5% or more of shares or stocks of a competitor.

2. The acceptance of being a board member of a competitor or holding an executive position of a competitor, with the exception of assuming membership or management roles of affiliates.
3. Having a commercial agency or the like, whether apparent or hidden, of a competitor.
4. The acceptance to be a committee member of a competitor.
5. The delivery of technical, administrative or consulting works to any competitor.
6. The use of his knowledge and information in favor of a competitor.
7. The benefit, whether directly or indirectly, from the investment opportunities presented to him or which he becomes aware of in his capacity as a Board Member or a Committee Member of the Company. This includes investment opportunities which are within the activities of the Company or its affiliates or those not falling within the Activities of the Company or its affiliates and which the Company wishes to make use of. Such ban shall extend to board member or Committee Member who resigns to, directly or indirectly, use investment opportunities that the Company wishes to use, which came to his knowledge during his membership in the Board or Committee.
8. Geographical boundaries of KSA and boundaries of countries of the Company's affiliates shall be the scope of application of these Regulations regarding the competitive activity practiced by the Board Member or the Committee Member.

Fourth: Controls for Competing the Company:

1. The Board Member or the Committee member who competes with or wishes to compete with the Company or its affiliates shall obtain an authorization from the ordinary general assembly.
2. If the Board Member or the Committee member wishes to engage in an activity that is competitive to the Company or its affiliates, the following must be observed:
 - A. The board shall be informed of the competitive activity to be practiced by the Board Member, and this notification shall be evidenced in the board minutes of meeting.
 - B. The board shall vote on the decision of competition by the Board Member or the Committee member of the activity of the Company or its affiliates, provided that the interested board member shall have no vote on the decision to be issued by the board and shareholders assemblies.
 - C. If the board decides that activities to be practiced by the Board Member or the Committee member are competitive to those of the Company or its affiliates, the board shall refer the matter to the ordinary general assembly, and these activities shall be checked on an annual basis.
 - D. The board shall inform the ordinary general assembly, at its first meeting, of the competitive activities practiced by the Board Member or the Committee Member to vote thereon.

Fifth: Duties of Board Members and Committees Members Competing with Activities of the Company or its Affiliates:

The Board Member or the Member of any of Board Committees who obtains an authorization from the ordinary general assembly to compete with the activities of the Company or its affiliates shall observe the following:

1. Practicing his duties honestly and fairly, and placing interests of the Company as a priority.
2. Maintaining Company's information and activities in strict confidence, and not to disclose them to any person.

Sixth: Refusal to Grant Authorization

If the ordinary general assembly refuses to grant the required authorization according to clause (2) of Article (27) of the Companies law and Article (44) of the Corporate Governance Regulations, the Board Member or the Committee Member shall tender his resignation within the period recommended by the board to the ordinary general assembly, or get his position regularized by withdrawal from the competitive activity during the same period, otherwise his membership in the board or the committee shall be deemed as terminated upon expiry of the granted period.

Seventh: Approval and Publication

1. The provisions of these Regulations shall be adhered to as of the date when they are approved by the ordinary general assembly and they shall be published on the Company's website.
2. The Board of Directors may propose amendment to these Regulations, provided that any such amendment is presented to the ordinary general assembly at its first meeting for approval.



Nomination and Remuneration Committee

Current text of the Article	Text of the Article after amendment
<p>Introduction: This Regulations was prepared in accordance with the provisions of Articles (57 and 61) of the amended Corporate Governance Regulations issued by the Board of the Capital Market Authority, pursuant to Resolution No. 8-5-2023 dated 25/06/1444 corresponding to 18/01/2023.</p> <p>Definitions: The following words and expressions, wherever mentioned in these Regulations, shall have the meanings assigned thereto, unless the context requires otherwise.</p> <p>1. Company: Saudi Cement Company.</p> <p>2. Committee: Nomination and Remuneration Committee of the Saudi Cement Company.</p> <p>3. Board / Board of Directors: The Board of Directors of the Saudi Cement Company entrusted with the management of the company in order to achieve the interests of the shareholders.</p> <p>4. Members: Members of the Board of Directors elected by shareholders at the General Assembly meeting and those appointed by the Board of Directors to fill any vacant positions.</p> <p>5. Non-Executive Member: A member of the Board of Directors who is not dedicated to managing the company on full-time basis and does not participate in its daily business.</p> <p>6. Independent Member: A non-executive member of the Board of Directors who is fully independent in his position and decisions, and none of the criteria for lack of independence apply to him as stipulated in the Corporate Governance Regulations.</p>	<p>Introduction: This Regulations was prepared in accordance with the provisions of Articles (57 and 61) of the amended Corporate Governance Regulations issued by the Board of the Capital Market Authority, pursuant to Resolution No. 8-5-2023 dated 25/06/1444 corresponding to 18/01/2023.</p> <p>Definitions: The following words and expressions, wherever mentioned in these Regulations, shall have the meanings assigned thereto, unless the context requires otherwise.</p> <p>1. Company: Saudi Cement Company.</p> <p>2. Committee: Nomination and Remuneration Committee of the Saudi Cement Company.</p> <p>3. Board / Board of Directors: The Board of Directors of the Saudi Cement Company entrusted with the management of the company in order to achieve the interests of the shareholders.</p> <p>4. Members: Members of the Board of Directors elected by shareholders at the General Assembly meeting and those appointed by the Board of Directors to fill any vacant positions.</p> <p>5. Non-Executive Member: A member of the Board of Directors who is not dedicated to managing the company on full-time basis and does not participate in its daily business.</p> <p>6. Independent Member: A non-executive member of the Board of Directors who is fully independent in his position and decisions, and none of the criteria for lack of independence apply to him as stipulated in the Corporate Governance Regulations.</p>



Nomination and Remuneration Committee

<p>Article 1: Formation of the Committee:</p> <ol style="list-style-type: none"> 1. The Committee shall be formed by a decision of the Board of Directors for a period not exceeding the term of the Board of Directors that formed it. 2. In forming the Committee, the following shall be taken into account: <ol style="list-style-type: none"> a) The number of members of the Committee shall be three. b) Its members shall be non-executive members of the Board of Directors, provided that they include at least one independent member, and its members may be non-members of the Board of Directors, whether they are shareholders or others, provided that the Committee Chairman shall be an independent member. c) The Capital Market Authority (CMA) shall be notified of the names of the members of the Committee and their membership within five working days from the date of their appointment or from the date of any changes thereto. 3. The Committee shall be responsible for its work before the Board of Directors. 4. The Committee has the authority to engage the services of internal or external experts and specialists to assist in carrying out its duties, subject to its defined powers. The minutes of the Committee's meeting shall include details of any such engagement, including the name of the expert or specialist and their relationship with the Company or the Executive Management. 5. The Chairman of the Committee or his deputy shall attend the general assemblies to answer the questions of the shareholders. 	<p>Article 1: Formation of the Committee:</p> <ol style="list-style-type: none"> 1. The Committee shall be formed by a decision of the Board of Directors for a period not exceeding the term of the Board of Directors that formed it. 2. In forming the Committee, the following shall be taken into account: <ol style="list-style-type: none"> a) The number of members of the Committee shall be three. b) Its members shall be non-executive members of the Board of Directors, provided that they include at least one independent member, and its members may be non-members of the Board of Directors, whether they are shareholders or others, provided that the Committee Chairman shall be an independent member. c) The Capital Market Authority (CMA) shall be notified of the names of the members of the Committee and their membership within five working days from the date of their appointment or from the date of any changes thereto. 3. The Committee shall be responsible for its work before the Board of Directors. 4. The Committee has the authority to engage the services of internal or external experts and specialists to assist in carrying out its duties, subject to its defined powers. The minutes of the Committee's meeting shall include details of any such engagement, including the name of the expert or specialist and their relationship with the Company or the Executive Management. 5. The Chairman of the Committee or his deputy shall attend the general assemblies to answer the questions of the shareholders.
<p>Article 2: Objectives of the Regulations: Based on the Board of Directors' decision to form a Nomination and Remuneration Committee in application of paragraph (7) of Article (47) of the Corporate Governance Regulations, and based on</p>	<p>Article 2: Objectives of the Regulations: Based on the Board of Directors' decision to form a Nomination and Remuneration Committee in application of paragraph (7) of Article (47) of the Corporate Governance Regulations, and based on</p>



Nomination and Remuneration Committee

<p>the Board of Directors' proposal, this Regulations was approved by the General Assembly with the aim of defining the committee's work controls and procedures, its tasks, and the rules for selecting its members and their remuneration and its term, powers and authorities delegated thereto, and how the Board oversees it, while the Board remains responsible for those powers or authorities delegated thereto.</p>	<p>the Board of Directors' proposal, this Regulations was approved by the General Assembly with the aim of defining the committee's work controls and procedures, its tasks, and the rules for selecting its members and their remuneration and its term, powers and authorities delegated thereto, and how the Board oversees it, while the Board remains responsible for those powers or authorities delegated thereto.</p>
<p>Article 3: Powers of the Committee: The Nomination and Remuneration Committee shall be specialized in the following:</p> <ol style="list-style-type: none"> 1- Proposing clear criteria and standards for membership in the Board of Directors and executive management. 2- Recommending to the Board of Directors the nomination and re-nomination of its members in accordance with the approved policies, standards, taking into account not to nominate any person previously convicted of a crime against trust. 3- Preparing a description of the capabilities and qualifications required for membership of the Board of Directors and the positions of Executive Management. 4- Carrying out annual review of the necessary requirements for appropriate skills or experience for the membership of the Board of Directors and the positions of the Executive Management. 5- Reviewing the structure of the Board of Directors and Executive Management, and recommending changes that can be made to the Board. 6- Identifying the strengths and weaknesses of the Board and proposing solutions to address them in a manner that aligns with the Company's best interests. 7- Conducting an annual verification of the independence of independent members and 	<p>Article 3: Powers of the Committee: The Nomination and Remuneration Committee shall be specialized in the following:</p> <ol style="list-style-type: none"> 1- Proposing clear criteria and standards for membership in the Board of Directors and executive management. 2- Recommending to the Board of Directors the nomination and re-nomination of its members in accordance with the approved policies, standards, taking into account not to nominate any person previously convicted of a crime against trust. 3- Preparing a description of the capabilities and qualifications required for membership of the Board of Directors and the positions of Executive Management. 4- Carrying out annual review of the necessary requirements for appropriate skills or experience for the membership of the Board of Directors and the positions of the Executive Management. 5- Reviewing the structure of the Board of Directors and Executive Management, and recommending changes that can be made to the Board. 6- Identifying the strengths and weaknesses of the Board and proposing solutions to address them in a manner that aligns with the Company's best interests. 7- Conducting an annual verification of the independence of independent members and



Nomination and Remuneration Committee

<p>ensuring the absence of any conflicts of interest, particularly in cases where a member also serves on the Board of Directors for another company.</p> <p>8- Developing job descriptions for Senior Executives, Executive Members, Non-Executive Members, and Independent Members.</p> <p>9- Creating special procedures to be followed in the event of a vacancy in the position of a Board of Directors member or Senior Executives.</p> <p>10- Drafting a clear Remuneration Regulations for the members of the Board of Directors, its committees, and Executive Management, for approval by the General Assembly. The policy should comply with the standards related to performance, disclosure, and verification of implementation.</p> <p>11- Clarifying the relationship between the granted remuneration and the applicable Remuneration Policy Regulations, and disclosing any material deviation from this Regulations.</p> <p>12- Conducting periodic revisions of the Remuneration Regulations and assessing their effectiveness in achieving the intended objectives.</p> <p>13- Recommending the remuneration of Board of Directors members, its committees, and Senior Executives of the Company to the Board of Directors, in line with the approved Remuneration Regulations.</p> <p>14- Determining the time that the member shall allocate to the work of the Board of Directors.</p>	<p>ensuring the absence of any conflicts of interest, particularly in cases where a member also serves on the Board of Directors for another company, according to forms approved by the Committee.</p> <p>8- Developing job descriptions for Senior Executives, Executive Members, Non-Executive Members, and Independent Members.</p> <p>9- Creating special procedures to be followed in the event of a vacancy in the position of a Board of Directors member or Senior Executives.</p> <p>10- Drafting a clear Remuneration Regulations for the members of the Board of Directors, its committees, and Executive Management, for approval by the General Assembly. The regulation should comply with the standards related to performance, disclosure, and verification of implementation.</p> <p>11- Clarifying the relationship between the granted remuneration and the applicable Remuneration Policy Regulations, and disclosing any material deviation from this Regulations.</p> <p>12- Conducting periodic revisions of the Remuneration Regulations and assessing their effectiveness in achieving the intended objectives.</p> <p>13- Recommending the remuneration of Board of Directors members, its committees, and Senior Executives of the Company to the Board of Directors, in line with the approved Remuneration Regulations.</p> <p>14- Determining the time that the member shall allocate to the work of the Board of Directors.</p> <p>15- Approving the amount of the annual incentive bonus.</p> <p>16- Approving the disbursement of incentive bonus to the company's employees, taking</p>
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Nomination and Remuneration Committee

	<p>into account the provisions mentioned in the Regulations on Remuneration of the Members of the Board of Directors, Its Committees and the Executive Management.</p> <p>17- Carry out the tasks assigned to it by the Board of Directors, within the nature of its work.</p>
<p>Article 4: Nomination Procedures:</p> <ol style="list-style-type: none"> 1. When nominating the members of the Board of Directors, the Committee shall take into account the provisions of the Company's Corporate Governance Regulations and the requirements decided by the CMA. 2. The number of nominees for the Board of Directors whose names are submitted to the General Assembly shall exceed the number of seats available, so that the General Assembly has the opportunity to choose from among the nominees. 3. The provisions of the Company's Corporate Governance Regulations shall not prejudice the right of each shareholder in the Company to nominate himself or others for membership of the Board of Directors in accordance with the provisions of the Companies Law and its Executive Regulations. 	<p>Article 4: Nomination Procedures:</p> <ol style="list-style-type: none"> 1. When nominating the members of the Board of Directors, the Committee shall take into account the provisions of the Company's Corporate Governance Regulations and the requirements decided by the CMA. 2. The number of nominees for the Board of Directors whose names are submitted to the General Assembly shall exceed the number of seats available, so that the General Assembly has the opportunity to choose from among the nominees. 3. The provisions of the Company's Corporate Governance Regulations shall not prejudice the right of each shareholder in the Company to nominate himself or others for membership of the Board of Directors in accordance with the provisions of the Companies Law and its Executive Regulations.
<p>Article 5: Publication of the Nomination Announcement:</p> <p>The Company shall publish the nomination announcement on the Company's website, the CMA's website, and any other means determined by the CMA, to invite individuals interested in running for membership of the Board of Directors. The nomination period shall remain open for at least one month from the date of the announcement.</p>	<p>Article 5: Publication of the Nomination Announcement:</p> <p>The Company shall publish the nomination announcement on the Company's website, the CMA's website, and any other means determined by the CMA, to invite individuals interested in running for membership of the Board of Directors. The nomination period shall remain open for at least one month from the date of the announcement.</p>
<p>Article 6: Remuneration Controls and Standards:</p> <p>Without prejudice to the provisions of the Companies Law and the Capital Market Law and</p>	<p>Article 6: Remuneration Controls and Standards:</p> <p>Without prejudice to the provisions of the Companies Law and the Capital Market Law and</p>



Nomination and Remuneration Committee

<p>their implementing regulations, the following shall be taken into account in the remuneration controls and standards:</p> <ol style="list-style-type: none"> 1. To be consistent with the Company's strategy and objectives. 2. Providing remunerations to incentivize the members of the Board of Directors and Executive Management to drive the long-term success and growth of the Company. This can be achieved by linking the variable portion of the remuneration to long-term performance and other relevant factors. 3. Determine the remunerations based on job level, tasks and responsibilities assigned to the incumbent, educational qualifications, work experience, skills, and level of performance. 4. To be consistent with the size, nature and degree of risk of the Company. 5. To take into account the practices of other companies in determining remuneration, while avoiding the resulting unjustified rise in remuneration and compensation. 6. Aim to attract, retain, and motivate professional competencies without overemphasizing them. 7. To take into account cases of suspension or refund of the remuneration if it is found that it was decided based on inaccurate information provided by a member of the Board of Directors or the Executive Management, in order to prevent the exploitation of the employment situation to obtain undue bonuses. 8. Organize the allocation of shares to the members of the Board of Directors and Executive Management, whether through new share issuance or by the Company's purchasing of shares. 	<p>their implementing regulations, the following shall be taken into account in the remuneration controls and standards:</p> <ol style="list-style-type: none"> 1. To be consistent with the Company's strategy and objectives. 2. Providing remunerations to incentivize the members of the Board of Directors and Executive Management to drive the long-term success and growth of the Company. This can be achieved by linking the variable portion of the remuneration to long-term performance and other relevant factors. 3. Determine the remunerations based on job level, tasks and responsibilities assigned to the incumbent, educational qualifications, work experience, skills, and level of performance. 4. To be consistent with the size, nature and degree of risk of the Company. 5. To take into account the practices of other companies in determining remuneration, while avoiding the resulting unjustified rise in remuneration and compensation. 6. Aim to attract, retain, and motivate professional competencies without overemphasizing them. 7. To take into account cases of suspension or refund of the remuneration if it is found that it was decided based on inaccurate information provided by a member of the Board of Directors or the Executive Management, in order to prevent the exploitation of the employment situation to obtain undue bonuses. 8. Organize the allocation of shares to the members of the Board of Directors and Executive Management, whether through new share issuance or by the Company's purchasing of shares.
<p>Article 7: Remuneration of the Board Members: The remuneration of the members of the Nomination and Remuneration Committee shall</p>	<p>Article 7: Remuneration of the Board Members: The remuneration of the members of the Nomination and Remuneration Committee shall</p>



Nomination and Remuneration Committee

<p>be in accordance with the provisions of the Remuneration Regulations of the Members of the Board of Directors, Its Committees and the Executive Management.</p>	<p>be in accordance with the provisions of the Remuneration Regulations of the Members of the Board of Directors, Its Committees and the Executive Management.</p>
<p>Article 8: Committee Meetings:</p> <ol style="list-style-type: none"> 1. The Committee shall meet at the invitation of its Chairman and the meeting of the Committee shall not be valid unless attended by at least two (2) members, periodically every six months at least, and may meet whenever the need arises. A committee member may not delegate someone else to attend committee meetings, and the Committee's decisions are issued by a majority of the opinions of those present. 2. The meetings of the Committee shall be documented, and minutes shall be prepared, which include the discussions, deliberations, recommendations, and voting results. These minutes shall be kept in a special and organized register, along with the names of the attending members and any reservations they expressed (if any). All attending members shall sign these minutes. 3. The Committee's meetings are limited to its members, including the Secretary of the Committee and members of the Committees. No other members of the Board of Directors or Executive Management shall attend unless the Committee specifically requests their input or advice. 4. The Nomination and Remuneration Committee may use modern technology in its meetings, including: Meeting through audio conference calls and visual communication and the member who uses these modern means shall be considered present. 	<p>Article 8: Committee Meetings:</p> <ol style="list-style-type: none"> 1. The Committee shall meet at the invitation of its Chairman and the meeting of the Committee shall not be valid unless attended by at least two (2) members, periodically every six months at least, and may meet whenever the need arises. A committee member may not delegate someone else to attend committee meetings, and the Committee's decisions are issued by a majority of the opinions of those present. 2. The meetings of the Committee shall be documented, and minutes shall be prepared, which include the discussions, deliberations, recommendations, and voting results. These minutes shall be kept in a special and organized register, along with the names of the attending members and any reservations they expressed (if any). All attending members shall sign these minutes. 3. The Committee's meetings are limited to its members, including the Secretary of the Committee and members of the Committees. No other members of the Board of Directors or Executive Management shall attend unless the Committee specifically requests their input or advice. 4. The Nomination and Remuneration Committee may use modern technology in its meetings, including: Meeting through audio conference calls and visual communication and the member who uses these modern means shall be considered present.
<p>Article 9: Chairman and Secretary: The Committee shall choose from among its members a chairman, appoint a secretary who</p>	<p>Article 9: Chairman and Secretary:</p>



Nomination and Remuneration Committee

<p>shall prepare the minutes of its meetings and undertake the administrative work of the Committee.</p>	<p>The Committee shall choose from among its members a chairman, appoint a secretary who shall prepare the minutes of its meetings and undertake the administrative work of the Committee.</p>
<p>Article 10: Vacant position: If the position of one of the members of the Committee becomes vacant during the term of office, the Board shall appoint another member to the vacant position and the new member shall complete the term of his predecessor. The position of a member of the Committee shall be vacated due to death or disability, as well as if he is exempted by a decision of the Board of Directors, or for any other reason. The Company shall notify the Capital Market Authority of the names of the members of the committees and their membership within five working days from the date of appointment of the member and any changes thereto within five working days of the changes.</p>	<p>Article 10: Vacant position: If the position of one of the members of the Committee becomes vacant during the term of office, the Board shall appoint another member to the vacant position and the new member shall complete the term of his predecessor. The position of a member of the Committee shall be vacated due to death or disability, as well as if he is exempted by a decision of the Board of Directors, or for any other reason. The Company shall notify the Capital Market Authority of the names of the members of the committees and their membership within five working days from the date of appointment of the member and any changes thereto within five working days of the changes.</p>
<p>Article 11: Confidentiality: A Committee member shall maintain the Company's secrets as a Board member, and Committee members may not disclose to shareholders or others what they have learned.</p>	<p>Article 11: Confidentiality: A Committee member shall maintain the Company's secrets as a Board member, and Committee members may not disclose to shareholders or others what they have learned.</p>
<p>Article 12: Amendment of the Regulations: The Board of Directors is permitted to propose amendments to this Regulations. Any proposed amendments shall be presented to the General Assembly during its first meeting.</p>	<p>Article 12: Amendment of the Regulations: The Board of Directors is permitted to propose amendments to this Regulations. Any proposed amendments shall be presented to the General Assembly during its first meeting.</p>



Remuneration Regulations of the Members of the Board of Directors Its Committees and the Executive Management

Current text of the Article	Text of the Article after amendment
<p>Having reviewed the Companies Law, its Implementing Regulations for the Listed Joint Stock Companies, and Saudi Cement Company Bylaw and the Corporate Governance Regulations issued by the Capital Market Authority, this document, called the "Remuneration Regulations of the Members of the Board of Directors, Its Committees and the Executive Management", has been prepared in accordance with the following provisions:</p> <p>First: General Provisions:</p> <p>1- Definitions:</p> <p>A. Company: Saudi Cement Company.</p> <p>B. Board/Board of Directors: Board of Directors of the Saudi Cement Company.</p> <p>C. Committee(s): Committees formed permanently based on requirements bound by government laws and regulations or work requirements within the company.</p> <p>D. Board Member/Member: means a member of the Board of Directors appointed by virtue of the nomination of the General Assembly or appointed by the Board of Directors as an alternative member in a vacant position.</p> <p>E. External Member: A member of the Committee who does not serve as a member of the Board of Directors of the Company.</p> <p>F. Executive Management/Senior Executives: Persons entrusted with managing the company's day-to-day operations, proposing and implementing strategic decisions, such as the CEO and positions associated with the CEO, including the Chief Financial Officer.</p> <p>2- This Regulations shall determine the remuneration and compensation to be paid to the members of the Board of Directors in return for their membership in the Board of</p>	<p>Having reviewed the Companies Law, its Implementing Regulations for the Listed Joint Stock Companies, and Saudi Cement Company Bylaw and the Corporate Governance Regulations issued by the Capital Market Authority, this document, called the "Remuneration Regulations of the Members of the Board of Directors, Its Committees and the Executive Management", has been prepared in accordance with the following provisions:</p> <p>First: General Provisions:</p> <p>1- Definitions:</p> <p>A. Company: Saudi Cement Company.</p> <p>B. Board/Board of Directors: Board of Directors of the Saudi Cement Company.</p> <p>C. Committee(s): Committees formed permanently based on requirements bound by government laws and regulations or work requirements within the company.</p> <p>D. Board Member/Member: means a member of the Board of Directors appointed by virtue of the nomination of the General Assembly or appointed by the Board of Directors as an alternative member in a vacant position.</p> <p>E. External Member: A member of the Committee who does not serve as a member of the Board of Directors of the Company.</p> <p>F. Executive Management/Senior Executives: Persons entrusted with managing the company's day-to-day operations, proposing and implementing strategic decisions, such as the CEO and positions associated with the CEO, including the Chief Financial Officer.</p>



Remuneration Regulations of the Members of the Board of Directors Its Committees and the Executive Management

<p>Directors of the Company or the committees, subject to the provisions of paragraph (3) below.</p> <p>3- This Regulations shall determine the remuneration of the members of the Audit Committee in accordance with the attached table, and shall be disbursed in accordance with the Audit Committee's Regulations.</p> <p>4- This Regulations shall determine the remuneration of the Chairman of the Board of Directors for his work as Chairman of the Board of Directors.</p> <p>5- This Regulations shall set out the rules for remuneration of senior executives in the company.</p> <p>6- A member of the Board of Directors may not participate in more than two committees of the Board.</p> <p>7- Members of the committees of the Board of Directors may be appointed from outside the Board and they shall be rewarded in accordance with what is determined by these Regulations.</p> <p>8- The annual remuneration of the Board member shall be paid based on the recommendation of the Nomination and Remuneration Committee and in proportion to the number of meetings attended by the Board member.</p> <p>9- The annual remuneration of the committee members shall be paid in proportion to the number of meetings attended by the committee member.</p> <p>10- A member of the Board of Directors may receive remuneration for any additional executive, technical, administrative or advisory work or positions-under a professional license- assigned to him by the Company, in addition to the remuneration that he may receive as a member of the Board of</p>	<p>2- This Regulations shall determine the remuneration and compensation to be paid to the members of the Board of Directors in return for their membership in the Board of Directors of the Company or the committees, subject to the provisions of paragraph (3) below.</p> <p>3- This Regulations shall determine the remuneration of the members of the Audit Committee in accordance with the attached table, and shall be disbursed in accordance with the Audit Committee's Regulations.</p> <p>4- This Regulations shall determine the remuneration of the Chairman of the Board of Directors for his work as Chairman of the Board of Directors.</p> <p>5- This Regulations shall set out the rules for remuneration of senior executives in the company.</p> <p>6- A member of the Board of Directors may not participate in more than two committees of the Board.</p> <p>7- Members of the committees of the Board of Directors may be appointed from outside the Board and they shall be rewarded in accordance with what is determined by these Regulations.</p> <p>8- The annual remuneration of the Board member shall be paid based on the recommendation of the Nomination and Remuneration Committee to the Board of Directors for approval and in proportion to the number of meetings attended by the Board member.</p> <p>9- The annual remuneration of the committee members shall be paid in proportion to the number of meetings attended by the committee member.</p> <p>10- A member of the Board of Directors may receive remuneration for any</p>
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Remuneration Regulations of the Members of the Board of Directors Its Committees and the Executive Management

<p>Directors or committees formed by the Board of Directors.</p> <p>11—A member of the Board of Directors may not vote on the item of remuneration of the members of the Board of Directors at the General Assembly meeting.</p>	<p>additional executive, technical, administrative or advisory work or positions-under a professional license-assigned to him by the Company, in addition to the remuneration that he may receive as a member of the Board of Directors or committees formed by the Board of Directors.</p>
<p>Second: Remuneration for the Chairman, Members and Secretary of the Board of Directors:</p> <p>The remuneration of the Chairman of the Board of Directors and the Secretary of the Board of Directors shall consist of a certain amount, and the remuneration of the members of the Board of Directors shall consist of an annual remuneration and travel expenses allowance, according to the attached remuneration table.</p>	<p>Second: Remuneration for the Chairman, Members and Secretary of the Board of Directors:</p> <p>The remuneration of the Chairman of the Board of Directors and the Secretary of the Board of Directors shall consist of a certain amount, and the remuneration of the members of the Board of Directors shall consist of an annual remuneration and travel expenses allowance, according to the attached remuneration table.</p>
<p>Third: Remuneration for Senior Executives:</p> <p>Leaders in the company shall bear an additional burden in terms of responsibility and commitment, and their actions and decisions have a significant impact on the company's performance and annual results, and they are given incentive and incentive rewards that are commensurate with the foregoing. In this Regulations, the company has set rules for remuneration granted to senior executives in order to encourage and motivate them to retain and maintain them within the company's executive team. When determining the remuneration for senior executives, including the Chief Executive Officer, the following shall be taken into account:</p> <p>A. The remuneration shall be proportional to the effort expended.</p>	<p>Third: Remuneration for Senior Executives:</p> <p>Leaders in the company shall bear an additional burden in terms of responsibility and commitment, and their actions and decisions have a significant impact on the company's performance and annual results, and they are given incentive and incentive rewards that are commensurate with the foregoing. In this Regulations, the company has set rules for remuneration granted to senior executives in order to encourage and motivate them to retain and maintain them within the company's executive team. When determining the remuneration for senior executives, including the Chief Executive Officer, the following shall be taken into account:</p> <p>A. The remuneration shall be proportional to the effort expended.</p>



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<p>B. The remuneration shall be commensurate with the extent of commitment to achieving the company's objectives. The remuneration shall be commensurate with the developmental improvements to raise the efficiency of operation and the company's performance.</p> <p>C. The remuneration shall be commensurate with the developmental improvements to raise the efficiency of operation and the company's performance.</p>	<p>B. The remuneration shall be commensurate with the extent of commitment to achieving the company's objectives. The remuneration shall be commensurate with the developmental improvements to raise the efficiency of operation and the company's performance.</p> <p>C. The remuneration shall be commensurate with the developmental improvements to raise the efficiency of operation and the company's performance.</p>
<p>Fourth: General Provisions:</p> <ol style="list-style-type: none"> 1- The CEO of the Nomination and Remuneration Committee shall recommend the remuneration he deems to senior executives - except the CEO himself. 2- The Nomination and Remuneration Committee shall review and discuss the remuneration of senior executives listed in (1) above and approves what it deems appropriate. 3- The Nomination and Remuneration Committee shall discuss, approve and submit the incentive remuneration of the CEO to the Chairman for approval. 	<p>Fourth: General Provisions:</p> <ol style="list-style-type: none"> 1- The CEO of the Nomination and Remuneration Committee shall recommend the remuneration he deems to senior executives - except the CEO himself. 2- The Nomination and Remuneration Committee shall review and discuss the remuneration of senior executives listed in (1) above and approves what it deems appropriate. 3- The Nomination and Remuneration Committee shall discuss, approve and submit the incentive remuneration of the CEO to the Chairman for approval.
<p>Fifth: Amendment of the Regulations: The Board of Directors may, upon a proposal from the Nomination and Remuneration Committee, amend the provisions of this Regulations provided that such amendment shall be submitted to the General Assembly at its first meeting.</p>	<p>Fifth: Amendment of the Regulations: The Board of Directors may, upon a proposal from the Nomination and Remuneration Committee, amend the provisions of this Regulations provided that such amendment shall be submitted to the General Assembly at its first meeting.</p>



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Table of Remuneration, Compensation and Allowances

SN	Title	Amount of Annual Remuneration	Exchanges and Travel Expenses	Notes
1	Chairman of the Board of Directors	200,000	-	For his work as Chairman of the Board of Directors as determined by the Government Regulations and the Company's Bylaws.
2	Member of the Board of Directors	460,000	<ol style="list-style-type: none"> 1- The value of first-class round-trip tickets for those from outside the region. 2- Accommodation allowance of SAR 1,000 for those from outside the region. 	The annual remuneration shall be paid in proportion to the number of meetings attended by the member.
3	Board Member (Representative of the company on the board of directors of a subsidiary or sister company).	-	<ol style="list-style-type: none"> 1- The value of first-class round-trip tickets for those from outside the region. 2- Accommodation allowance of SAR 1,000 for those from outside the region. 	Subject to the Regulations of the subsidiary and sister company regarding the annual remuneration.
4	Board Member Remuneration for his membership in each of the following committees of the Board: • Nomination and Remuneration Committee. • Executive Committee.	20,000	<ol style="list-style-type: none"> 1- The value of first-class round-trip tickets for those from outside the region. 2- Accommodation allowance of SAR 1,000 for those from outside the region. 	The remuneration shall be paid in proportion to the number of meetings attended by the committee member.
5	Member of the Audit Committee	100,000	-	The remuneration shall be paid in proportion to the number of meetings attended by the committee member.
6	External Member of the Audit Committee	100,000	<ol style="list-style-type: none"> 1- The value of first-class round-trip tickets for those from outside the region. 2- Accommodation allowance of SAR 1,000 for those from outside the region. 	-
7	Secretary of the Board of Directors	50,000	-	-