

Articles proposed to be amended in the work of Audit Committee in Tabuk Agricultural Development Company in accordance with the new Companies Law and the amended regulations of the Capital Market Authority

Article before the amendment	Reviews	Article after amendment	Reviews
<p>Introduction:</p> <p>These Bylaws determine the functions and powers of the Audit Committee (referred to as the "Committee"), the rights and duties of the members of the Committee, how to select them, their remuneration, and the rules governing its work, which is mainly to assist the Board of Directors to carry out its supervisory duties efficiently and effectively, and to ensure the integrity and completeness of the Company's financial statements, internal control policies and procedures, the relationship with the Internal Audit Unit, and internal audit policies and procedures, in addition to ensuring that the Board of Directors uses appropriate methods of internal control. To protect the company from significant losses that may be realized in the future.</p>		<p>Bookmark:</p> <p>The "Audit Committee Work Regulations " emanating from the Board of Directors of Tabuk Agricultural Development Company have been prepared pursuant to the Corporate Governance Regulations issued by the Board of the Capital Market Authority based on the Companies Law and its Executive Bylaws.</p> <p>Whereas the Board of Directors has the right to form a number of specialized committees that assist it and enable it to perform its duties effectively, and the formation of these committees shall be in accordance with general procedures set by the Board, including determining the mission of each committee, the duration of its work, the powers vested in it during this period, and how the Board of Directors controls it. One of the committees is the Audit Committee, which is one of the most important committees in joint stock companies because of its essential and effective role in the internal and external audit work, the internal control process and systems development.</p>	

		<p>And plans related to these activities and follow-up of their implementation and the company's commitment and compliance with the regulations and standards recognized.</p> <p>Therefore, the Board of Directors of Tabuk Agricultural Development Company, with its powers, decided to issue a work regulation for the Audit Committee , provided that this regulation includes the controls and procedures of the Committee's work, its tasks, the rules for selecting its members, how to nominate them, the duration of their membership and their remuneration, provided that this regulation is presented to the General Assembly of Shareholders at its first meeting for approval.</p>	
		<p>Article I: Definitions</p> <p>The words and expressions mentioned in these Regulations shall have the meanings assigned to them unless the context otherwise requires.</p> <p>Regulation: Regulation of the Audit Committee of Tabuk Agricultural Development Company</p> <p>Authority: The Capital Market Authority.</p> <p>Company: Tabuk Agricultural Development Company, a Saudi joint stock company, Commercial Registration No. (3550005403) issued on 14/08/1404H.</p>	New article

		<p>Companies Law: Companies Law issued by Royal Decree No. (M/132) dated 01/02/1443 AH.</p> <p>Executive Bylaws: The Executive Bylaws of the Companies Law for Listed Joint Stock Companies issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-127-2016 Dated 16/1/1438H as amended by CMA Board Resolution No. 8-5-2023 dated 25/06/1444H corresponding to 18/01/2023G.</p> <p>Corporate Governance Regulations: Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-16-2017 Dated 16/5/1438H as amended by CMA Board Resolution No. 8-5-2023 dated 25/06/1444H corresponding to 18/01/2023G.</p> <p>Articles of Association : Articles of Association of Tabuk Agricultural Development Company</p> <p>General Assembly: The general assembly held in the presence of the company's shareholders in accordance with the Companies Law and the Company's Articles of Association.</p> <p>Board of Directors or Board: The Board of Directors of Tabuk Agricultural Development Company.</p> <p>Chairman of the Board of Directors : Chairman of the Board of Directors of Tabuk Agricultural Development Company</p>	
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Article I - Formation of the Audit Committee:		Article II: Formation of the Audit Committee:	

<p>1-1 Mechanism for appointing committee members:</p> <p>1-1-1 An Audit Committee shall be formed by a resolution of the Ordinary General Assembly of the Company, the number of which shall not be less than three (3) and not more than five (5) members of the shareholders or others, provided that they include at least one independent member and not include any of the executive members of the Board of Directors, and among them shall be a financial and accounting specialist, and its members must have an appropriate level of knowledge in risk management and financial affairs.</p> <p>1-1-2 A person who has worked for the auditor for the past two years may not be a member of the audit committee.</p> <p>1.2 Requirements for independence and expertise of Committee members:</p> <p>1.2.1 Requirements for independence of Committee members:</p> <p>I. A member of the Audit Committee acquires the status of independence in the event that he does not have any substantial relationship directly or</p>	<p>It was placed in the third article with the amendment</p>	<p>First: Mechanism for appointing members of the Committee</p> <p>1- The Audit Committee shall be formed by a resolution of the Board of Directors for a period of four years starting with the beginning of the term of the Board of Directors of the company and the term of membership of its members shall end at the end of the term of the Board of Directors of the Company .</p> <p>2. The number of its members shall not be less than three and not more than five non-executive members of the Board of Directors, with the possibility of appointing external experts to the membership of the Committee, whether they are shareholders or others, provided that among them is a specialist in financial and accounting affairs, and its members must have an appropriate level of knowledge in risk management and financial affairs.</p> <p>3. The members of the Committee must include at least one independent member.</p> <p>4- The Chairman of the Board of Directors may not be a member of the Committee.</p> <p>5. A person who has been working for the executive or financial management of the company or for the company's auditor during the past two years may not be a member of the Audit Committee.</p>	
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<p>indirectly with the company (the intrinsic relationship is one that may affect the impartiality of the Committee member regarding his opinions and decisions related to the performance of the Committee's duties).</p> <p>II. The committee member must not have previously worked as a CEO or employee of the company during the last three (3) years.</p> <p>III. No one of the relatives of the committee member (first or second) must be currently serving as CEO of the company or have served as chairman of the company during the last three (3) years.</p> <p>IV. No one of the relatives of the committee member (first or second degree) must be among the members of the company's nomination and remuneration committee.</p> <p>V. A member of the Audit Committee must not be affiliated with any of the Company's related employers or partners or have worked as an employee of the Independent Internal Auditor Office or the Company's External Auditor's Office within the last three (3) years.</p>		<p>6- It is required that the member of the Audit Committee does not occupy the membership of audit committees in more than five joint stock companies listed on the market at the same time .</p> <p>Second: Membership of the Committee</p> <p>1- The members of the Committee shall be selected by a decision of the Board of Directors at its first meeting for each session. The Board of Directors appoints the Chairman of the Committee, and if this appointment is not made by the Board, the members of the Committee shall choose from among them the Chairman of the Committee.</p> <p>2. The membership of the Audit Committee shall be terminated in one of the following cases:</p> <p>a) The resignation of a member of the Committee by notification to the Chairman of the Committee and its Secretary, and the resignation shall be effective from the date specified in the notification .</p> <p>b) Absence from three consecutive meetings or five separate meetings of the Committee during the term of his membership without a legitimate excuse acceptable to the Board of Directors.</p> <p>c) Disqualification or physical disability that prevents him from performing his duties in the Committee.</p>	
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<p>1.2.2 Definition of an expert in the field of financial affairs:</p> <p>For the purposes of these Regulations, a member of the Committee who is an expert in financial affairs shall be defined as a person who meets the following specifications:</p> <ul style="list-style-type: none"> I. Full knowledge and familiarity with the accounting and auditing standards in force in the Kingdom of Saudi Arabia. II. Experience in preparing, reviewing and evaluating financial statements. III. Understand what internal audits are conducted on financial reports. IV. Understand the nature of the work and functions of the Audit Committee. V. Preferably those who hold a professional degree in accounting VI. Preferably who has at least a bachelor's degree in accounting <p>1.2.3 Requirements for competent knowledge in financial affairs:</p> <p>A. For the purposes of these Regulations, competent knowledge of financial affairs is defined as a</p>		<p>d) The Board of Directors shall issue a resolution to dismiss or replace any of the members of the Committee at any time it deems appropriate.</p> <p>e) Misuse by the member of his position in the Committee or misconduct that the Board considers harmful to the interest or objectives and reputation of the company.</p> <p>f) - Loss, at any time, of any of the requirements for membership in the Committee prescribed by law or under these Regulations.</p> <p>3. If the position of one of the members of the Committee becomes vacant for any of the aforementioned reasons or otherwise, the Board of Directors may appoint a member to the vacant position, provided that he is one of those who have experience and competence, and the Authority must be informed within the statutory period from the date of the appointment.</p> <p>4. The company shall notify the Authority of the names of the members of the Committee, their membership capacity upon their appointment and any changes thereto within the statutory period specified by the Corporate Governance Regulations issued by the Authority.</p> <p>5- Secretariat of the Committee:</p> <p>a) The Committee shall appoint a secretary with the scientific competencies, practical experience and professional and</p>	
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<p>person's ability to read and understand the basic financial statements (statement of financial position, income statement and statement of cash flows), which include accounting topics discussed within the framework of the Committee's work.</p> <p>B. Committee members should have competent knowledge of financial affairs that enables them to read and understand the basic financial statements.</p> <p>C. One of the members of the committee must have practical experience in financial and accounting affairs gained through his work in a supervisory leadership position and a minimum senior accountant.</p> <p>1.3 Chairmanship of the Committee:</p> <p>Unless the General Assembly specifies a Chairman of the Committee, the Committee shall elect its Chairman and a Vice-Chairman by a majority vote of the members, and its Chairman shall be an independent member or a third party according to his technical and professional competence.</p> <p>1.4 Session of the Committee:</p> <p>1-4-1 The members of the committee are selected for the duration of the Board 's work session, and in the</p>		<p>physical skills required to carry out the functions of the Committee's secretariat, prepare and manage meeting documents, keep records, provide assistance and advice to members and provide them with all the required documents, documents and information for the benefit of the company.</p> <p>b) The Secretary of the Committee must have a university degree in law, finance, accounting, management or equivalent.</p> <p>c) Have at least three (3) years of relevant work experience.</p>	
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<p>event of the end of the session, the resignation of the member or his dismissal from the committee, he shall continue to perform his duties until a replacement is chosen, and in all cases the term of membership shall not exceed or exceed the session of the Board .</p> <p>1-4-2 The work session of the Committee shall be simultaneous with the session of the Board and shall not exceed it for a later period.</p> <p>1-4-3 In the event of a vacancy during the session, the Board of Directors may nominate a temporary member, provided that it is presented to the first General Assembly for approval.</p> <p>1-4-4 In the event that a member of the Committee is absent for (3) consecutive sessions without a legitimate excuse, the Committee shall have the right to recommend to the Board the termination of his membership.</p> <p>1.5 Secretariat of the Committee:</p> <p>1-5-1 The Committee appoints a secretary with the required scientific competencies, practical experience and professional skills to carry out the functions of the Committee's secretariat, prepare</p>			
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<p>and manage meeting documents, keep records, provide assistance and advice to members and provide them with all the required documents, documents and information for the benefit of the company.</p> <p>1-5-2 The Secretary of the Committee shall meet the following conditions:</p> <p>1-5-2-1 Hold a university degree in law, finance, accounting, management, or equivalent.</p> <p>1-5-2-2 Have at least five (5) years of relevant work experience.</p> <p>1.6 Proceedings of meetings:</p> <p>1-6-1 Notice – The Secretary of the Committee shall send notice to each meeting including the date, time and place of the meeting and circulate it to all Committee members and others present at least 10 working days prior to the date of the meeting.</p> <p>1-6-2 Agenda – The Secretary of the Committee shall send the agenda of the meeting, the necessary documents and information to the members of the Audit Committee within a period of not less than five working days from the date of the meeting.</p>			
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<p>1-6-3 Supporting Documents – The Secretary of the Committee sends the supporting documents to all Committee members at least 3 working days before the date of the meeting.</p> <p>1-6-4 Duration of the meeting – sufficient time should be allowed to enable the Committee to conduct as much of the discussions as required.</p> <p>1-6-5 Meeting Minutes – The Secretary of the Committee shall ensure that all the proceedings of the Committee and the decisions issued by it are recorded and shall ensure that all members of the Committee attending the meeting agree and sign and sign the minutes of the meeting, and the minutes must include the registration of the names of the present attendees and sent to the members within 5 working days after the meeting.</p>			
		<p>Article III: Requirements for Independence and Experience of Committee Members:</p> <p>First: - Requirements for independence for members of the Committee:</p> <p>1- A member of the Audit Committee acquires the status of independence in the event that he does not have any substantial relationship directly or indirectly with the company (the</p>	<p>New article</p>

		<p>substantial relationship is one that may affect the impartiality of the Committee member regarding his opinions and decisions related to the performance of the Committee's duties).</p> <p>2- The committee member must not have previously worked as a CEO or as an employee of the company during the past two years</p> <p>3- A member of the Audit Committee must not be affiliated with any of the employers related to the Company or its partners or have worked as an employee of the Office of the Independent Internal Auditor or the Office of the External Auditor of the Company during the past two years.</p> <p>5. A member of the Committee may not be a member of an audit committee for another establishment practicing the same activity.</p> <p>6- The committee member must refrain from engaging in any activity that may be contrary to the interest of the company or a competitor to its business, or may affect his impartiality and ability to carry out his duties and responsibilities objectively.</p> <p>Second: Definition of an expert in the field of financial affairs</p> <p>For the purposes of these Regulations, a member of the Committee who is an expert in financial affairs shall be defined as a person who meets the following specifications:</p>	
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		<p>1- Full knowledge and familiarity with the accounting and auditing standards recognized and in force in the Kingdom of Saudi Arabia.</p> <p>2- Experience in preparing, reviewing and evaluating financial statements.</p> <p>3. Understand what internal audits are conducted on financial reports.</p> <p>4- Understanding the nature of the work and functions of the Audit Committee.</p> <p>5- It is preferable to hold a professional certificate in accounting</p> <p>6- It is preferable to have at least a bachelor's degree in accounting</p> <p>Third: Requirements for competent knowledge in financial affairs</p> <p>1. For the purposes of these Regulations, competent knowledge of financial affairs is defined as a person's ability to read and understand the basic financial statements (statement of financial position, income statement and statement of cash flows), which include accounting topics that are discussed within the framework of the Committee's work.</p> <p>2- The members of the Committee must have competent knowledge of financial affairs that enables them to read and understand the basic financial statements.</p>	
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		3- One of the members of the committee must have practical experience in financial and accounting affairs gained through his work in a supervisory leadership position with a minimum of senior accountant	
<p>Article II - Purposes, responsibilities and powers of the Committee</p> <p>2.1 Purposes of the Committee:</p> <p>The Committee, through its supervisory role over the operations of the Internal Audit Unit and reviewing and recommending the reports of the External Auditor, shall assist the Board of Directors in performing its responsibilities related to the following:</p> <p>2-1-1 Ensure the integrity of the financial and accounting policies and systems, including those related to financial reporting.</p> <p>2-1-2 Ensure the application of appropriate control systems for risk management by defining the general perception of the risks facing the company and presenting them transparently.</p> <p>2-1-3 Review the effectiveness of the company's internal control system and supervise the safety of its application.</p>		<p>Article IV: Competences and Functions of the Audit Committee</p> <p>The Audit Committee is responsible for studying the internal audit reports, following up the implementation of corrective actions for the observations contained therein, monitoring the company's business, verifying the integrity and integrity of reports, financial statements and internal control systems, and the tasks of the committee include the following:</p> <p>First: Financial Reports</p> <p>1- Studying the company's interim and annual financial statements before presenting them to the Board of Directors and expressing its opinion and recommendation thereon to ensure their integrity , fairness and transparency.</p> <p>2. Expressing a technical opinion, at the request of the board of directors, whether the report of the board of directors and the financial statements of the company are fair, balanced and understandable, and include information that allows shareholders and investors to evaluate the company's financial position, performance, business model, and strategy.</p>	

<p>2-1-4 Controlling the financial performance and external controls of the company's accounts and financial reports and verifying their compliance with the legal and regulatory requirements and the fairness of financial transactions between the company and external parties related to the company's business.</p> <p>2-2 Responsibilities and Powers:</p> <p>The Audit Committee exercises its duties and responsibilities under the applicable laws, the Corporate Governance Regulations and any other legal references concerned with controlling the company's business, and in this context, the Committee shall have the following responsibilities and powers:</p> <p>2-2-1 Internal Audit:</p> <p>A. Responsibilities:</p> <ol style="list-style-type: none"> 1. Supervise the internal audit department in the company in order to verify its effectiveness. 2. Review and approve the annual plan of the company's internal audit department, identify the audit processes and reports, make the necessary observations thereon, and identify corrective actions for the observations received. 	<p>It was placed in Article IV with the amendment</p>	<ol style="list-style-type: none"> 3. Study any important or unusual issues contained in the financial reports. 4. Thoroughly research any issues raised by the company's financial manager, his assume, the company's compliance officer or the auditor. 5. Verify accounting estimates in material matters contained in financial reports. 6. Studying the accounting policies followed in the company and expressing an opinion and recommendation to the board of directors in this regard. <p>Second: Internal Audit</p> <ol style="list-style-type: none"> 1- Studying and reviewing the internal and financial control systems and risk management in the company . 2- Studying the internal audit reports and following up the implementation of corrective actions for the observations contained therein. 3- Controlling and supervising the performance and activities of the internal auditor and the internal audit department in the company to verify the availability of the necessary resources and their effectiveness in performing the work and tasks entrusted to it. 	
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<p>3. Studying and reviewing the internal and financial control system in the company and preparing a written report that includes its recommendations and opinion on its adequacy, identifying any defect in it and setting the appropriate time limit to correct it, provided that sufficient copies of this report are deposited by the Board of Directors at the company's head office at least twenty-one (21) days before the date of the general assembly to provide the shareholders with a copy of it and the report shall be read during the assembly.</p> <p>4. At least once a year, the Committee evaluates the expertise and qualifications of the Internal Audit Unit and verifies their compliance with professional standards and the team's ability to carry out the tasks entrusted to it.</p> <p>5. Discuss the reports of the Internal Audit Unit with the concerned authorities of the company and submit observations thereon to the Board of Directors.</p> <p>B. Powers:</p>		<p>4- Recommending to the Board of Directors the appointment of the Director of the Internal Audit Unit or Department or the Internal Auditor and proposing his remuneration</p> <p>Third: Auditor</p> <p>1- Recommending to the Board of Directors the nomination of auditors, dismissing them, determining their fees and evaluating their performance, after verifying their independence and reviewing the scope of their work and the terms of their contract.</p> <p>2. Verify the independence, objectivity and fairness of the auditor, and the effectiveness of the audit work, taking into account the relevant rules and standards.</p> <p>3. Review the company's auditor's plan and work, verify that he has not submitted technical, administrative or advisory work outside the scope of the audit work, and express its views thereon.</p> <p>4- Answering the inquiries of the company's auditor .</p> <p>5. Study the auditor's report and observations on the financial statements and follow up on what has been taken thereon.</p> <p>Third: Ensuring Compliance</p> <p>1- Review the results of the reports of the regulatory authorities and verify that the company has taken the necessary measures in this regard.</p>	
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<ol style="list-style-type: none"> 1. Nominating and requesting the replacement of the head of the Internal Audit Unit, evaluating his work, proposing his salaries, and remuneration. 2. The Committee shall pre-approve the scope of internal audit services and the terms of reference for members of the Internal Audit Unit. 3. The Internal Audit Unit reports directly to the Audit Committee. 4. The Committee approves the annual audit plan prepared by the Internal Audit Unit. <p>2-2-2 Financial Statements and Reports:</p> <p>A. Responsibilities:</p> <ol style="list-style-type: none"> 1. Study the company's interim and annual financial statements before presenting them to the Board of Directors and expressing its opinion and recommendation thereon to ensure their integrity, fairness and transparency. 2. Provide technical opinion - at the request of the Board of Directors - on whether the report of the Board and the financial statements of the company are fair, balanced and understandable 		<ol style="list-style-type: none"> 2- Verifying the company's compliance with the relevant laws, regulations, policies and instructions. 3- Review the contracts and transactions proposed to be conducted by the company with the related parties, and submit its views thereon to the Board of Directors. 4. Submit any matters it deems necessary to take action to the Board of Directors and make recommendations on the actions to be taken. <p>Fourth: Other Terms of Reference of the Committee</p> <ol style="list-style-type: none"> 1. The Committee shall study the topics referred to it by the Board of Directors and submit its recommendations to the Board for decision, or take decisions if authorized by the Board. 2. The Committee shall make appropriate recommendations to the Board of Directors in matters that fall within the competence of the Board and at the same time affect the functions of the Committee. 3- The Audit Committee shall review the arrangements that allow employees of the company to submit their observations on any violation in financial or other reports confidentially. The Committee shall verify the application of these arrangements by conducting an independent investigation commensurate with the magnitude of the error or override, adopting appropriate follow-up procedures, and providing the opportunity for the company's 	
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<p>and include information that allows shareholders and investors to evaluate the position or financial position of the company, its performance, business model and strategy.</p> <ol style="list-style-type: none"> 3. Study any important or unusual issues contained in the financial reports and accounts, and thoroughly research any issues raised by the company's financial director, his assume, the company's compliance officer or the external auditor. 4. Verify accounting estimates on material matters contained in financial reports. 5. Study the accounting policies followed in the company and express an opinion and recommendation to the Board of Directors in this regard. <p>2-2-3 Auditor:</p> <p>A. Responsibilities:</p> <ol style="list-style-type: none"> 1. Examine and evaluate the qualifications of the External Auditor's annual audit team and verify their compliance with the required standards. 		<p>employees and stakeholders to report violating cases through a regulated mechanism in this regard.</p> <p>Fifth: Competences and Functions of the Committee Chairman</p> <ol style="list-style-type: none"> 1. Manage and chair the meetings of the Committee and work to enhance its effectiveness, and in the event that the Chairman of the Committee is unable to attend, he may delegate one of its members to preside over the specified session. 2- Attending the general assemblies to answer the questions of shareholders related to the work of the Committee, and he may delegate one of the members of the Committee. 3- Inviting to attend the meetings of the Committee in writing well in advance of the meeting. Participate the members of the Committee in the agenda of the meeting and ensure that there is sufficient time to discuss the agenda items of the meeting of the Committee. 4. Ensure that the members of the Committee are provided with the necessary presentations, documents and sufficient information regarding the topics presented to it well in advance of the date of the meeting to enable the Committee to take decisions thereon. 5- Submit periodic reports to follow up the work, performance and activities of the Committee, its recommendations and 	
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<p>2. Discussing the annual audit plan for the final accounts with the external auditor and making observations about it, following up with management to provide the requirements for its implementation, verifying that the external auditor did not submit technical and administrative work outside the scope of the audit work and taking their views on this.</p> <p>3. Study the external auditor 's report on the results of the audit of the annual financial statements and the notes contained therein and follow up with management to correct them.</p> <p>4. Answering the inquiries of the external auditor.</p> <p>5. Verify the independence and objectivity of the external auditor and the effectiveness of audit work, taking into account the relevant rules and standards.</p> <p>6. Ensure that the auditor is licensed and that the number of nominated auditors should not be less than two.</p> <p>B. Powers:</p>	<p>It was placed in Article V with the amendment</p>	<p>findings to the Board of Directors, and the report can be written or oral.</p> <p>6. The Chairman of the Committee may delegate any of the above competencies to a member of the Committee or its Secretary.</p>	
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<p>Recommending to the Board the appointment of the External Auditor, determining his fees and terminating his contract, taking into account that the period of the auditor's contract shall not exceed five (5) consecutive years, and a period of two years must elapse before his reappointment.</p> <p>2-2-4 Ensure compliance and compliance with regulations:</p> <p>A. Responsibilities:</p> <ol style="list-style-type: none"> 1. Review the results of the reports of the regulatory authorities and verify that the company has taken the necessary measures in this regard. 2. Verifying the company's compliance with the relevant laws, regulations, policies and instructions. 3. Review the contracts and transactions proposed to be conducted by the company with the related parties, and submit what it deems appropriate in this regard to the Board of Directors. 4. Submit to the Board of Directors any matters it deems necessary to take action, such as procedures for employees to submit complaints related to internal control procedures, and to make 			
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<p>recommendations on the steps that need to be taken.</p> <p>5. Review the arrangements that allow employees of the company to submit their observations on any financial or other reporting violations confidentially, and verify the application of these arrangements by conducting an independent investigation commensurate with the extent of the error or override and adopting appropriate follow-up procedures.</p> <p>6. Review the current or potential cases and dealings conducted by the Company with related parties and submit its proposals thereon to the Board based on a recommendation submitted by the management.</p> <p>2.2.5 General powers:</p> <p>In order to perform its duties, the Audit Committee may:</p> <p>I. The right to access the company's records and documents.</p>			
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<p>II. Request any clarification or statement from the members of the Board of Directors or the executive management.</p> <p>III. To request the Board of Directors to convene the General Assembly of the Company if its work is hindered or the Company suffers serious damages or losses.</p> <p>IV. The use of experts, consultants and specialists from outside the company during the performance of its work.</p> <p>V. Conduct investigations or assign another party to do so in any matter related to the company within the scope of its responsibilities, including the right to summon senior executives and any other party to appear before it for investigation purposes.</p>			
		<p>Article Five: Powers of the Committee</p> <p>In order to perform its duties, the Audit Committee shall have the following powers:</p> <ol style="list-style-type: none"> 1. The right to access the company's records and documents. 2- Request any clarification or statement from the members of the Board of Directors or the executive management. 	<p>New article</p>

		<p>3. Request the Board of Directors to convene the General Assembly of the Company if it obstructs its work or the Company suffers serious damages or losses.</p> <p>4. Seek the assistance of experts, consultants and specialists from inside or outside the company within the limits of its powers, whenever necessary to assist the Committee in performing its tasks, provided that this is included in the minutes of the Committee's meeting, mentioning the name of the expert and his relationship with the company or executive management.</p> <p>5. Conduct investigations or assign another party to do so in any matter related to the company that falls within the scope of its responsibilities, including the right to summon senior executives and any other party to appear before it for the purposes of investigation.</p> <p>6. Investigate any activity falling under its jurisdiction or any subject specifically requested by the Board of Directors, the General Assembly or external auditors.</p> <p>7- Meet the external auditors and employees of the company, including the internal auditor, to inquire from them about the audit work and make any observations within the scope of its work.</p>	
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		<p>8. Nominate and request the replacement of the head of the Internal Audit Unit, evaluate his work, propose his salaries and remuneration.</p> <p>9. Approving the annual audit plan prepared by the Internal Audit Unit, the scope of internal audit services and the terms of reference for the members of the Internal Audit Unit in advance, and the Internal Audit Unit shall submit its reports directly to the Audit Committee.</p> <p>10. Recommending to the Board the appointment of the external auditor, determining his fees and terminating his contract, taking into account that the duration of the auditor's contract shall not exceed what is specified in the Companies Law and its Executive Regulations.</p>	
<p>Article III - Method of work of the Committee:</p> <p>3.1 Committee meetings:</p> <p>The Committee meets at regular times whose schedule is determined according to the dictates of the required need to perform the tasks of the Committee at the required level of efficiency so that it is not less than (4) meetings per year, and the Committee can meet in a specific place or by phone or video conference, and the agenda of the Committee's meetings is distributed to the members</p>		<p>Article VI: Meetings, controls and procedures of the work of the Committee</p> <p>First: Meetings of the Committee</p> <p>1. The Committee shall meet at least four times during the fiscal year at the company's head office or in any other place, and the meetings of the Committee may be held by modern means of communication, and the Committee may hold extraordinary or emergency meetings as required by the interest of work, at the invitation of the Chairman of the Committee or the request of the Board of Directors or the request of two of its members.</p>	

<p>before the meeting in a suitable time, and the quorum of the meeting is completed by two-thirds (3/2) of the members of the Committee with a minimum of two (2) members, and the Committee must keep minutes in which the proceedings of its meetings are recorded. It shall also keep files of any documents related to its work tasks, and the Committee shall have the right to summon any senior executives or employees of the Company to attend its meetings whenever it deems necessary.</p> <p>3.2 Decisions of the Committee:</p> <p>3.2.1 The recommendations of the Committee shall be made with the approval of a majority of its members (minimum of two (2)) members, and each member of the Committee shall have one (1) vote in the event of a vote on the recommendations, and in the event of an equality of votes, the vote of the Chairman of the Committee shall prevail.</p> <p>3.2.2 All proposals submitted by the Committee are recommendations to the Governing Board for appropriate decision.</p> <p>3-2 Committee Reports:</p>		<p>2. The invitation to attend the meetings of the Committee shall be sent in writing by the Chairman of the Committee or his authorized members of the Committee or the Secretary of the Committee well in advance of the date of the meeting, providing the members of the Committee with the agenda of the meeting and the necessary documents well before the date of the meeting.</p> <p>3. The internal auditor and the auditor may request a meeting with the Audit Committee whenever the need arises.</p> <p>4. A member of the Committee (present in person) may not represent more than one member in the presence of the same meeting. In the event that the Chairman of the Committee is unable to attend, he shall be entitled to authorize one of its members to preside over that session, and in the event that the Chairman of the Committee does not authorize the person to chair the meeting, the members of the Committee shall choose from among them who will preside over the meeting.</p> <p>5- The Committee has the right to summon the CEO or any of the senior executives or employees of the company to attend its meetings without the right to vote.</p> <p>6. No member of the Board of Directors or the executive management who is not a member of the Committee shall be</p>	
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<p>3.3.1 The Committee shall submit to the Board of Directors after its meetings the minutes of the meeting for each session of the Committee to the subsequent meeting of the Board.</p> <p>3.3.2The Committee shall issue an annual report to the shareholders that shall include recommendations and its opinion on the adequacy of internal control in the company, a compendium of its work and performance, the most prominent achievements and how to perform its competence and tasks.</p> <p>3.4 Self-assessment:</p> <p>The Committee annually evaluates its performance and submits the relevant report to the Board .</p>		<p>entitled to attend its meetings unless the Committee requests to hear his opinion or obtain his advice.</p> <p>Second: Decisions of the Committee</p> <p>1. The validity of the meetings of the Committee shall require the attendance of the majority of its members, and its decisions shall be issued by a majority of the votes of those present, and in the event of equality of votes, the side with which the chairman of the meeting voted shall prevail.</p> <p>2. The Committee may issue decisions on urgent matters by circulation to all members, unless one of the members requests, in writing, the meeting of the Committee for deliberation. Such decisions shall be issued with the approval of a majority of the votes of its members, and such decisions shall be submitted to the Committee at its first subsequent meeting for record in the minutes of that meeting.</p> <p>3. Any decisions issued by the Committee shall be considered as recommendations to the Board of Directors to take the appropriate decision thereon, unless there is an exception to this in these Regulations.</p>	
		<p>Article VII: Minutes of the meeting</p> <p>1- The Secretary of the Committee shall prepare a draft minutes of the meeting of the Committee (including a statement of the names of the members present, absent, place and date of the</p>	<p>New article</p>

		<p>meeting, and the time of its beginning and end, in addition to the discussions, deliberations and decisions that took place, and send them to the Chairman and members of the Committee within ten working days from the date of the meeting for review and make any observations thereon (if any) within seven working days. From the date of sending them via e-mail, and in the event that no observations are received, this is considered an acknowledgment of their approval, and then the minutes are signed by the chairman of the committee, its secretary and all members present, and it is possible to sign by circulation if the matter is called for, and modern technology may be used to sign and prove the deliberations and decisions and take the minutes. These minutes are kept in the company's important documents.</p> <p>2. A member of the Committee shall have the right to object to any decision taken by the Committee, provided that his objection is expressly recorded in the minutes of the meeting with a statement of the reasons for his objection.</p>	
<p>Article IV - Remuneration of Committee Members:</p> <p>Each member of the committees shall be allocated an annual remuneration up to a maximum of one hundred thousand riyals and one hundred and fifty thousand riyals to the chairman of the committee, provided that these remunerations are paid based on</p>		<p>Article VIII: Remuneration of Committee Members</p> <p>1- The Board of Directors shall determine the annual remuneration of the members of the Committee in line with the Companies Law, its implementing regulations, the Company's Articles of Association and the regulations and instructions in force from the relevant authorities, and in the event that a</p>	

<p>the criteria of the annex to the regulations for the payment of allowances and remuneration of the Board .</p>		<p>member of the Committee is exempted for any reason, his remuneration shall be calculated on the basis of the ratio of the sessions he attended to the total number of sessions held during the period before his exit, taking into account the period spent in the membership of the Committee, and the remuneration and benefits disbursed to the members of the Committee must be disclosed in the Board of Directors' report..</p> <p>2. The remuneration of the members of the Committee shall be a lump sum in addition to an attendance allowance for the sessions and any other benefits contained in the remuneration policy set by the Board of Directors for its members, members of the committees and the executive management, and shall be disbursed in accordance with the controls contained in that policy.</p> <p>3- The company is committed to covering the expenses of transportation, housing and any other expenses to enable the member to attend meetings and participate in the activities of the committee related to its tasks.</p> <p>4- Allowance for attending the meetings of the Committee is SAR 3.000 (three thousand riyals) for the secretary of the committee for one session, and the committee has the right to review the allowances of its secretary from time to time as it deems appropriate.</p>	
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		<p>Article IX: Report of the Committee</p> <p>1- The Committee shall issue an annual report that includes details of the performance of its competencies and tasks stipulated in the Corporate Governance Regulations, provided that the report includes its recommendations and opinion on the adequacy of the internal and financial control systems and risk management in the company to be presented to the General Assembly of Shareholders in accordance with the manner stipulated in the Companies Law and its implementing regulations.</p> <p>2- The Board of Directors shall deposit sufficient copies of the Audit Committee's report at the Company's head office and publish it on the Company's website and the Market's website when the invitation to convene the General Assembly is published, to enable shareholders to obtain a copy thereof. The summary of the report will be read out during the General Assembly.</p>	New article
		<p>Article X : Conflict between the Committee and the Board of Directors</p> <p>If there is a conflict between the recommendations of the Committee and the decisions of the Board of Directors, or if the Board refuses to take into account the Committee's recommendation regarding the appointment or dismissal of the</p>	New article

		Company's auditor, determining his fees and evaluating his performance, or appointing the internal auditor; then, the report of the Board of Directors shall include the Committee's recommendation, justifications and reasons for not taking it into account.	
<p>Article V - Review of the Committee's Bylaws:</p> <p>5-1 These Regulations are adopted by the Ordinary General Assembly.</p> <p>5-2 The Committee periodically reviews the Committee's work regulations in order to verify the adequacy of the provisions contained therein to enable it to perform its work as required and to recommend to the Board the necessary amendments and additions.</p>		<p>Article XI: Final Provisions</p> <p>1. These Regulations shall be effective from the date of approval by the General Assembly, and articles of these Regulations shall not be amended, deleted or added to these Regulations, except upon the approval of the General Assembly.</p> <p>2- These Bylaws are complementary to the Company's Articles of Association, the Company's Governance Regulations, and other relevant laws and regulations.</p> <p>3. This Bylaw shall be repealed and replaced by all conflicting procedures, decisions or internal regulations of the Company. All that is not provided for in this regulation shall be subject to the relevant laws and regulations issued by the competent authorities.</p> <p>4. The Committee shall periodically review the Committee's work regulations for the purpose of verifying the adequacy of the provisions contained therein to enable it to perform its work as required and recommending to the Board the necessary amendments and additions.</p>	

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Articles proposed to be amended in the work regulations of the Nomination and Remuneration Committee in Tabuk Agricultural Development Company in accordance with the new Companies Law and the amended regulations of the Capital Market Authority

Article before the amendment	Reviews	Article after amendment	Reviews
<p>Introduction:</p> <p>These bylaws determine the powers of the Nomination and Remuneration Committee (referred to in these Bylaws as the "Committee"), how to select its members, how to terminate their services, and determines the scope of their responsibility, remuneration and procedures for its work, which mainly aims to assist the Board of Directors in performing its guiding and supervisory functions efficiently and effectively, and the Committee is responsible for implementing the powers entrusted to it under these Regulations, including determining and supervising the mechanism for nomination for membership of the Board of Directors, members of the Board of Directors and executive directors, and ensuring the effectiveness of the applicable nomination policy. in the company and the validity of the</p>		<p>Bookmark:</p> <p>The "Nomination and Remuneration Committee" of the Board of Directors of Tabuk Agricultural Development Company has been prepared pursuant to the Corporate Governance Regulations issued by the Board of the Capital Market Authority based on the Companies Law and its Executive Bylaws. Whereas the Board of Directors has the right to form a number of specialized committees that assist it and enable it to perform its duties effectively, and the formation of these committees shall be in accordance with general procedures set by the Board that include determining the mission of each committee, the duration of its work, the powers vested in it during this period, and how the Board of</p>	

<p>appointments made by the company, as well as the competence to determine and supervise the mechanism for determining the remuneration of the members of the Board of Directors and its committees - except for the remuneration of its members and the remuneration of the audit committee -. In addition to maintaining the presence of experienced and effective board members and administrative staff, thus helping the company achieve its goals and economic growth.</p>		<p>Directors controls it. Among the committees are the Nomination Committee and the Remuneration Committee, and the corporate governance regulations have allowed companies to authorize the merger of the nomination and remuneration committees into one committee called the Nomination and Remuneration Committee, whose task will be to assist the Board of Directors in the performance of His oversight responsibilities in the nomination and independence of the members of the Board of Directors and the integrity of the company's remuneration, benefits, incentives and salaries strategy.</p> <p>Therefore, the Board of Directors of Tabuk Agricultural Development Company, with its powers, decided to issue a working regulation for the Nomination and Remuneration Committee, provided that this regulation includes the controls and procedures of the committee's work, its tasks, the rules for selecting its members, how to nominate them, the duration of their membership and their remuneration, provided that this regulation is presented to the General Assembly of Shareholders at its first meeting for approval.</p>	
		<p>Article I: Definitions</p>	<p>New article</p>

		<p>The words and expressions mentioned in these Regulations shall have the meanings assigned to them unless the context otherwise requires.</p> <p>Regulation: Bylaw of the Nomination and Remuneration Committee at Tabuk Agricultural Development Company</p> <p>Authority: The Capital Market Authority.</p> <p>Company: Tabuk Agricultural Development Company, a Saudi joint stock company, Commercial Registration No. (3550005403) issued on 14/08/1404H.</p> <p>Companies Law: Companies Law issued by Royal Decree No. (M/132) dated 01/02/1443 AH.</p> <p>Executive Bylaws: The Executive Bylaws of the Companies Law for Listed Joint Stock Companies issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-127-2016 Dated 16/1/1438H as amended by CMA Board Resolution No. 8-5-2023 dated 25/06/1444H corresponding to 18/01/2023G.</p> <p>Corporate Governance Regulations: Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-16-2017 Dated 16/5/1438H as amended by CMA Board Resolution No. 8-5-2023 dated 25/06/1444H corresponding to 18/01/2023G.</p>	
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		<p>Articles of Association: Articles of Association of Tabuk Agricultural Development Company</p> <p>General Assembly: The general assembly held in the presence of the company's shareholders in accordance with the Companies Law and the Company's Articles of Association.</p> <p>Board of Directors or Board: The Board of Directors of Tabuk Agricultural Development Company.</p> <p>Chairman of the Board of Directors: Chairman of the Board of Directors of Tabuk Agricultural Development Company</p> <p>Chairman of the Committee: Chairman of the Nomination and Remuneration Committee at Tabuk Agricultural Development Company</p> <p>Committee: Nomination and Remuneration Committee at Tabuk Agricultural Development Company</p> <p>Chief Executive Officer: The person appointed by the Board to manage the company and implement its work policy.</p> <p>Managing Director : Member of the Board of Directors of the company assigned by the Board to follow up the affairs of the executive management and general supervision of its work.</p> <p>Members: Executive, non-executive, independent and committee members.</p>	
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		<p>Executive Member: A member of the Board of Directors who is full-time to manage the Company, participates in its daily business, and receives a monthly or annual salary from it.</p> <p>Non-Executive Member: A member of the Board of Directors who is not full-time to manage the Company, does not participate in the daily business of the Company and does not receive a monthly or annual salary from it.</p> <p>Independent Member: A non-executive board member who enjoys full independence in his position and decisions and does not apply to the symptoms of independence.</p> <p>Senior executives: They are the CEO, his deputies, general managers and the like, responsible for implementing the company's strategic decisions.</p> <p>The "Glossary of Terms Used in the Regulations and Rules of the Capital Market Authority" is also a reference to the undefined terms contained in these Regulations.</p>	
<p>Article I - Formation of the Nomination and Remuneration Committee:</p> <p>1-1 Committee Appointment Mechanism:</p> <p>The Nomination and Remuneration Committee shall be formed by a resolution of the Company's Board of Directors of at least three members who are not executive members of the Board of Directors, whether shareholders or others, provided that at least</p>		<p>Article II: Formation of the Nomination and Remuneration Committee:</p> <p>First: - The Committee Appointment Mechanism</p> <p>1- The Nomination and Remuneration Committee shall be formed by a resolution of the Board of Directors for a period of four years starting with the beginning of the term</p>	

one independent member is among them, and among them is a person specialized in administrative and financial organizational affairs.

1.2 Committee Membership:

- 1-2-1 The members of the committee are selected by a decision of the Board of Directors in its first session of each session.
- 1-2-2 The Board may exempt all or any of the members of the Committee for any compelling reasons that the Board deems in the interest of the Company, provided that the member is informed in advance in writing of the reasons for the exemption while preserving the right of the member to claim compensation in the event of dismissal for an unacceptable reason or at an inappropriate time.
- 1-2-3 The Board has the right to amend the membership of the Committee whenever it deems necessary.
- 1-2-4 In the event of a vacancy in a seat on the Committee during the session, the Board may appoint a replacement member, and the Committee may recommend to the Board whomever it deems eligible to fill this seat.
- 1-2-5 In the event that a member of the Committee is absent for (3) consecutive sessions without a legitimate excuse, the Committee shall have the right to recommend to the Board the termination of his membership.

of the Board of Directors of the Company and the term of membership of its members shall end at the end of the term of the Board of Directors of the Company .

2. The number of its members shall not be less than three and not more than five non-executive members of the Board of Directors, with the possibility of appointing external experts to the membership of the Committee, whether they are shareholders or others, provided that its members include at least one independent member of the Company's Board of Directors.

3. The members of the Committee shall have the appropriate experience and qualifications relevant to the tasks, responsibilities and nature of the Committee's work.

Second: Committee Membership

1- The members of the Committee shall be selected by a decision of the Board of Directors at its first meeting for each session. The Board of Directors shall appoint one of its members as Chairman of the Committee, provided that he is an independent member, and if this appointment is not made by the Board, the members of the Committee shall choose from among them a Chairman of the Committee, provided that he is an independent member of the Board of Directors.

<p>1.3 Chairmanship of the Committee:</p> <p>Unless the Board specifies a Chairman of the Committee, the Committee shall elect its Chairman and a Vice-Chairman by a majority vote of the members.</p> <p>1.4 Cycle of work of the Committee:</p> <p>1-4-1 The members of the committee are selected for the duration of the Board 's work session, and in the event of the end of the session, the resignation of the member or his dismissal from the committee, he shall continue to perform his duties until a replacement is chosen, and in all cases the term of membership shall not exceed or exceed the session of the Board.</p> <p>1-4-2 The work cycle of the Committee shall be simultaneous with the session of the Board and shall not exceed it until a later period.</p> <p>1.5 Committee Secretariat:</p> <p>1-5-1 The Committee shall appoint a secretary who shall have the scientific competencies, practical experience, and professional and physical skills required to carry out the functions of the Committee's secretariat, prepare and manage meeting documents, keep records, provide assistance and advice to members, and provide them with</p>		<p>The Chairman of the Board of Directors may not hold the position of Chairman of the Committee.</p> <p>2. The membership of the Nomination and Remuneration Committee shall be terminated in one of the following cases:</p> <p>a) The resignation of the member of the Committee by notification to the Chairman and Secretary of the Committee, and the resignation shall take effect from the date specified in the notification.</p> <p>b) Absence from three consecutive meetings or five separate meetings of the Committee during the term of his membership without a legitimate excuse acceptable to the Board of Directors.</p> <p>c) Disqualification or physical disability that prevents him from performing his duties in the Committee.</p> <p>d) The Board of Directors shall issue a resolution to dismiss or replace any of the members of the Committee at any time it deems appropriate.</p> <p>e) Misuse by the member of his position in the Committee or misconduct that the Board considers harmful to the interest or objectives and reputation of the company.</p> <p>f) - Loss, at any time, of any of the requirements for membership in the Committee prescribed by law or under these Regulations.</p>	
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<p>all the required documents, documents and information for the benefit of the company.</p> <p>1-5-2 The Secretary of the Committee shall meet the following conditions:</p> <p>1-5-2-1 Hold a university degree in law, finance, accounting, management, or equivalent.</p> <p>1-5-2-2 Have at least five (5) years of relevant work experience.</p>		<p>3. If the position of one of the members of the Committee becomes vacant for any of the aforementioned reasons or otherwise, the Board of Directors may appoint a member to the vacant position, provided that he is one of those who have experience and competence, and the Authority must be informed within the statutory period from the date of the appointment.</p> <p>4. The company shall notify the Authority of the names of the members of the Committee, their membership capacity upon their appointment and any changes thereto within the statutory period specified by the Corporate Governance Regulations issued by the Authority.</p> <p>5- Secretariat of the Committee:</p> <p>a) The Committee shall appoint a secretary with the scientific competencies, practical experience and professional and physical skills required to carry out the functions of the Committee's secretariat, prepare and manage meeting documents, keep records, provide assistance and advice to members and provide them with all the required documents, documents and information for the benefit of the company.</p>	
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		<p>b) The Secretary of the Committee must have a university degree in law, finance, accounting, management or equivalent.</p> <p>c) Have at least three (3) years of relevant work experience.</p>	
<p>Article II - Responsibilities and powers of the Committee:</p> <p>2.1 Responsibilities of the Committee:</p> <p>2-1-1 The Committee's responsibilities for nominations include:</p> <p>I. Proposing clear policies and criteria for membership in the Board of Directors and executive management.</p> <p>II. Recommending to the Board of Directors the nomination and renomination of its members in accordance with the approved policies and standards, taking into account not to nominate any person who has previously been convicted of a crime involving moral turpitude and dishonesty.</p> <p>III. Prepare a description of the capabilities and qualifications required for membership of the Board of Directors and fill the positions of executive management.</p> <p>IV. Determine the time that the member must allocate to the work of the Board of Directors.</p>		<p>Article III: Functions and Competencies of the Committee and its Chairman</p> <p>First: Tasks and Competencies of the Committee</p> <p>The Committee undertakes the tasks and competencies related to two aspects: remuneration and nominations, in addition to other competencies. The following are the tasks and terms of reference of the Committee:</p> <p>a) With regard to nominations:</p> <p>1- Proposing clear policies and criteria for membership in the Board of Directors and the Executive Management. Recommending to the Board of Directors the nomination and renomination of its members in accordance with the approved policies and standards, taking into account that no person who has previously been convicted of a crime against trust shall be nominated. Prepare a description of the capabilities and qualifications required for membership of the Board of Directors and fill the positions of executive management.</p>	

<p>V. Annual review of the necessary needs for appropriate skills for board membership and executive management functions.</p> <p>VI. Review the structure of the Board of Directors and executive management and make recommendations regarding changes that can be made.</p> <p>VII. Ensure on an annual basis the independence of independent members, and the absence of any conflict of interest if the member is a member of the board of directors of another company and develop an appropriate mechanism to inform shareholders of any variables that may lead to the loss of the member's independence.</p> <p>VIII. Develop statutory definitions for executive members, non-executive members, independent members and members of executive management.</p> <p>IX. Establish special procedures in the event of a vacancy in the position of a member of the Board of Directors or senior executives.</p> <p>X. Identify the weaknesses and strengths of the Board of Directors and propose solutions to address them in accordance with the interest of the company.</p>		<p>2. Determine the time that the member must allocate to the work of the Board of Directors. And the annual review of the necessary needs of skills or experience appropriate to the membership of the Board of Directors and the functions of the executive management.</p> <p>3. Review the structure of the Board of Directors and executive management and make recommendations regarding changes that can be made.</p> <p>4- Verify on an annual basis the independence of the independent members, and the absence of any conflict of interest if the member is a member of the board of directors of another company. Job descriptions for executive, non-executive, independent and senior executives</p> <p>5. The Nomination and Remuneration Committee shall submit its recommendations on the composition, functions and various functions of the Board of Directors committees.</p> <p>6. Develop special procedures in the event of a vacancy in the position of a member of the Board of Directors or senior executives.</p> <p>7- Identify the weaknesses and strengths of the Board of Directors and propose solutions to address them in accordance with the interest of the company. By proposing the necessary mechanisms to evaluate the performance of</p>	
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<p>XI. Organizing training programs for executives related to corporate governance and ethical behavior.</p> <p>XII. Ensure that the company adheres to the nomination procedures for membership of the Board contained in the Company's Governance Regulations and the requirements decided by the Authority, taking into account the possibility that the number of candidates for the Board of Directors whose names are presented to the General Assembly exceeds the number of available seats so that the General Assembly has the opportunity to choose from among the candidates.</p> <p>XIII. Ensure that the company complies with the procedures for publishing the announcement of candidacy for membership of the Board contained in the Company's Corporate Governance Regulations.</p> <p>XIV. Ensure that the company complies with the procedures for vacancy of the seat of a member of the Board of Directors or senior executives as stated in the Company's Corporate Governance Regulations and the regulations of the Capital Market Authority.</p> <p>2-1-2 The Committee's responsibilities in relation to remuneration include:</p>		<p>the Board, its members, committees and executive management annually, through appropriate performance indicators related to the extent to which the company's strategic objectives are achieved, the quality of risk management, the adequacy of internal control systems, and others, provided that the strengths and weaknesses are identified and proposed to address them in accordance with the interest of the company.</p> <p>8. Study and review the CEO's recommendations for the appointment and termination of senior executives.</p> <p>9- Studying and reviewing the plans of administrative succession or job replacement for the company in general, the Board, the Chief Executive Officer, the Secretary of the Board, committees and senior executives in particular.</p> <p>10- Providing an appropriate level of training and introducing the new members of the Board, committees and executive management about the company's tasks, workflow , activities, strategies, objectives, financial and operational aspects and achievements to enable them to perform their work with the required efficiency, in addition to introducing them to the obligations of the members of the Board of Directors, their tasks, responsibilities, rights, and the tasks and competencies of the company's committees.</p>	
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<p>I. Preparing a clear policy for the remuneration of the members of the Board of Directors and the committees emanating from the Board and the executive management, and submitting it to the Board of Directors for consideration in preparation for approval by the General Assembly, taking into account the adoption of performance-related standards, disclosure, and verification of their implementation, including:</p> <ol style="list-style-type: none"> 1- Determine the quality and size of the compensation and remuneration granted to Board members for attending the sessions and related travel expenses, as well as the incentives that can be granted for each member's contribution to achieving specific strategic objectives. 2- Determine the quality and size of the compensation and remuneration granted to members of the Board committees for attending the sessions and related travel expenses, in addition to the incentives that can be granted for each member's contribution to achieving specific strategic objectives. 3- Determine the quality and size of compensation and remuneration for the CEO and senior executives, 		<p>11. Develop the necessary mechanisms for both the members of the Board of Directors and the executive management to obtain training programs and courses on an ongoing basis in order to develop their skills and knowledge in areas related to the company's activities.</p> <p>12- The Nomination and Remuneration Committee shall submit its recommendations to the Board of Directors of the Company regarding the annual self-evaluation process carried out by the Board of Directors, and each of its committees, as well as the annual self-evaluation carried out by the Committee for the level of its performance.</p> <p>b) With regard to remuneration, the following:</p> <ol style="list-style-type: none"> 1- Preparing a clear policy for the remuneration of the members of the Board of Directors and the committees emanating from the Board and the executive management that enhances the motivation of the administrative apparatus and the preservation of distinguished cadres, and submitting it to the Board of Directors for consideration in preparation for approval by the General Assembly, taking into account in that policy the following of standards related to performance, disclosure, and ensuring their implementation. 	
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<p>taking into account the guidance followed in similar companies and the use of performance criteria.</p> <p>II. Prepare a detailed annual report on the remuneration granted to the members of the Board of Directors and the executive management, whether amounts, benefits or benefits, whatever their nature and name, provided that this report is presented to the General Assembly of the company for discussion and opinion.</p> <p>III. Periodically review the remuneration policy, and evaluate its effectiveness in achieving the desired objectives.</p> <p>IV. Recommending to the Board of Directors the remuneration of the members of the Board of Directors and its committees - except for the Audit Committee - and senior executives of the company in accordance with the approved policy.</p> <p>V. Annual review of the company's salary structure and incentive and remuneration system and recommend to the Board the required amendments and additions .</p> <p>VI. Evaluate the performance of the CEO , determine the nature and periods of the evaluation procedure, supervise the evaluation process, and submit the CEO's</p>	<p>It was placed in Article IV with the amendment</p>	<p>2. Clarify the relationship between the bonuses granted and the applicable remuneration policy and indicate any material deviation from this policy.</p> <p>3- Periodically reviewing the remuneration policy and evaluating its effectiveness in achieving its objectives.</p> <p>4- Recommending to the Board of Directors the remuneration of the members of the Board of Directors, its committees and senior executives in the company in accordance with the approved policy. Review the CEO's financial remuneration, including long- and short-term incentives, as well as determine the ceiling of the expected results of the CEO, and make recommendations thereon to the Board of Directors.</p> <p>5- Reviewing and approving the CEO's recommendations on the general principles and standards for financial remuneration and other benefits for senior executives, which the CEO implements in light of the remuneration policy of members of the Board of Directors, committees and executive management.</p> <p>6- Annual review of the company's salary structure and the system of incentives and remunerations and recommending amendments or additions to the Board.</p> <p>Second: The Committee's Other Terms of Reference</p>	
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<p>performance evaluation reports with the necessary recommendations and discuss them with the Board.</p> <p>VII. Recommending to the Board the main objectives of the company, which must be linked to any incentive plan proposed for senior executives, department managers, heads of departments and supervisors, taking into account the target return on shareholders' equity, the experiences of competing companies and the size of the incentives granted in the past years in the company.</p> <p>VIII. Supervise the evaluation of the performance of senior executives in light of the company's annual objectives and objectives related to business units and sectors and within the framework of the company's evaluation and remuneration system and recommend to the Board the incentives and rewards due.</p> <p>2-1-3 The Committee's responsibilities with respect to appointments include:</p> <p>A. Bring the resumes of senior executives to fill leadership positions in the company's structure.</p> <p>B. Ensure that applicants for some leadership positions in the company meet the conditions for this.</p> <p>C. Conduct personal interviews for senior executives and make the necessary recommendations.</p>		<p>1. The Committee shall study the topics referred to it by the Board of Directors and submit its recommendations to the Board for decision or take decisions if authorized by the Board.</p> <p>2- Recommending to the Board amendments or additions to the organizational structure of the company.</p> <p>3- Reviewing and developing the rules of professional conduct that represent the company's values, and other internal policies and procedures to meet the company's needs and consistent with best practices and submitting to the Board of Directors for approval.</p> <p>4. The Committee shall make appropriate recommendations to the Board of Directors in matters that fall within the competence of the Board and at the same time affect the functions of the Committee.</p> <p>Third: Competencies and Functions of the committee Chairman</p> <p>1. Manage and chair the meetings of the Committee and work to enhance its effectiveness, and in the event that the Chairman of the Committee is unable to attend, he may delegate one of its members to preside over the specified session.</p>	
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<p>2.2Powers of the Committee:</p> <p>2-2-1 The Committee has the right to seek the assistance of legal advisers or from any other discipline as it deems necessary to assist in the performance of its work optimally, and the Committee has the right to determine the appropriate remuneration for consultants who are hired without interference from the Board in this regard.</p> <p>2-2-2 The Committee has the right to use the information, data, reports and studies prepared by the following authorities in the company:</p> <p>I. One or more persons from the company's senior management team or its employees with competence and experience in the subject in the field of research and investigation.</p> <p>II. External auditor, internal audit unit and legal advisor to the company.</p> <p>III. One of the committees of the Board on topics related to its tasks.</p> <p>2-2-3 The Committee has the right to conduct investigations or assign another party to do so in any matter related to the Company that falls within the scope of its responsibilities, including the right to summon senior executives and any other party to appear before it for investigation purposes.</p>		<p>2- Attending the general assemblies to answer the questions of shareholders related to the work of the Committee, and he may delegate one of the members of the Committee.</p> <p>3- Inviting to attend the meetings of the Committee in writing well in advance of the meeting. Participate the members of the Committee in the agenda of the meeting and ensure that there is sufficient time to discuss the agenda items of the meeting of the Committee.</p> <p>4. Ensure that the members of the Committee are provided with the necessary presentations, documents and sufficient information regarding the topics presented to it well in advance of the date of the meeting to enable the Committee to take decisions thereon.</p> <p>5- Submit periodic reports to follow up the work, performance and activities of the Committee, its recommendations and findings to the Board of Directors, and the report can be written or oral.</p> <p>6. The Chairman of the Committee may delegate any of the above competencies to a member of the Committee or its Secretary.</p>	
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		<p>c) The external auditor, the internal audit unit and the company's legal advisor.</p> <p>d) One of the committees of the Board on topics related to its tasks.</p> <p>3. The right to investigate any matter within its competences and tasks, or any subject specifically requested by the Board.</p> <p>4- The committee has the right to form a working group emanating from it for any purpose it deems appropriate and to achieve its objectives, and it is also entitled to grant the working team emanating from it some of its powers and authorities whenever it deems appropriate, provided that the number of members of any working group emanating from this committee shall not be less than two members, the company shall bear any costs necessary for the committee to carry out its work.</p>	
<p>Article III - Method of work of the Committee:</p> <p>3.1 Committee meetings :</p> <p>The Committee can meet at a specific place or by telephone or video conference, and the quorum of the meeting is completed in the presence of three members, one of whom is the Chairman of the Committee or his deputy, and the deliberations and decisions of the meeting are recorded, provided that the minutes of the meetings and any other documents related to its work are kept, and</p>		<p>Article V: Meetings, controls and procedures of the Committee's work</p> <p>First: Meetings of the Committee</p> <p>1. The Committee shall meet at least four times during the year at the company's head office or in any other place, and the meetings of the Committee may be held by modern means of communication, and the Committee may hold extraordinary or emergency meetings as required by the</p>	

<p>the Committee has the right to summon any of the Senior executives or employees of the company to attend its meetings.</p> <p>3.2Committee decisions:</p> <p>3.2.1 The recommendations of the Committee shall be made with the approval of a majority of its members, and each member of the Committee shall have one (1) vote in the case of voting on the recommendations, and in the event of an equality of votes, the vote of the Chairman of the Committee shall prevail.</p> <p>3.2.2 All proposals submitted by the Committee are recommendations to the Governing Board for appropriate decision.</p> <p>3.3 Reports of the Committee to the Board of Directors:</p> <p>The Committee shall submit to the Board after its meetings the minutes of the meeting for each session of the Committee to the subsequent meeting of the Board .</p> <p>3.4Self-assessment:</p> <p>The Committee annually evaluates its performance and submits the relevant report to the Board .</p>		<p>interest of work, at the invitation of the Chairman of the Committee or the request of the Board of Directors or the request of two of its members.</p> <p>2. The invitation to attend the meetings of the Committee shall be sent in writing by the Chairman of the Committee or his authorized members of the Committee or the Secretary of the Committee well in advance of the date of the meeting, providing the members of the Committee with the agenda of the meeting and the necessary documents well before the date of the meeting.</p> <p>3. A member of the Committee (present in person) may not represent more than one member in the presence of the same meeting. In the event that the Chairman of the Committee is unable to attend, he shall be entitled to delegate one of its members to preside over that session, and in the event that the Chairman of the Committee does not authorize the person to preside over the meeting, the members of the Committee shall choose from among them who will chair the meeting.</p> <p>4- The Committee has the right to summon the CEO or any of the senior executives or employees of the company to attend its meetings without the right to vote.</p>	
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		<p>Article VI: Minutes of the meeting</p> <p>1- The Secretary of the Committee shall prepare a draft minutes of the meeting of the Committee (including a statement of the names of the members present, absent, place and date of the meeting, and the time of its beginning and end, in addition to the discussions, deliberations and decisions that took place, and send them to the Chairman and members of the Committee within ten working days from the date of the meeting for review and make any observations thereon (if any) within seven working days. From the date of sending them via e-mail, and in the event that no observations are received, this is considered an acknowledgment of their approval, and then the minutes are signed by the chairman of the committee, its secretary and all members present, and it is possible to sign by circulation if the matter is called for, and modern technology may be used to sign and prove the deliberations and decisions and</p>	New article

		<p>take the minutes. These minutes are kept in the company's important documents.</p> <p>2. A member of the Committee shall have the right to object to any decision taken by the Committee, provided that his objection is expressly recorded in the minutes of the meeting with a statement of the reasons for his objection.</p>	
<p>Article IV - Remuneration of Committee Members:</p> <p>Each member of the committees shall be allocated an annual remuneration up to a maximum of one hundred thousand riyals, provided that these bonuses are paid based on the criteria of the annex to the regulations for the disbursement of allowances and bonuses of the Board .</p>		<p>Article VII: Remuneration of Committee Members</p> <p>1- The Board of Directors shall determine the annual remuneration of the members of the Committee in line with the Companies Law, its implementing regulations, the Company's Articles of Association and the regulations and instructions in force from the relevant authorities, and in the event that a member of the Committee is exempted for any reason, his remuneration shall be calculated on the basis of the ratio of the sessions he attended to the total number of sessions held during the period before his exit, taking into account the period spent in the membership of the Committee, and the remuneration and benefits disbursed to the members of the Committee must be disclosed in the Board of Directors' report..</p> <p>2. The remuneration of the members of the Committee shall be a lump sum in addition to an attendance allowance for the sessions and any other benefits contained in the</p>	

		<p>remuneration policy set by the Board of Directors for its members, members of the committees and the executive management, and shall be disbursed in accordance with the controls contained in that policy.</p> <p>3- The company is committed to covering the expenses of transportation, housing and any other expenses to enable the member to attend meetings and participate in the activities of the committee related to its tasks.</p> <p>4- Allowance for attending the meetings of the Committee is 3.000 riyals (three thousand riyals) for the secretary of the committee for one session, and the committee has the right to review the allowances of its secretary from time to time as it deems appropriate.</p>	
<p>Article V – Adoption and review of the Committee's work regulations:</p> <p>5-1 These Regulations are adopted by the Ordinary General Assembly.</p> <p>5-2 The Committee periodically reviews the Committee's work regulations in order to verify the adequacy of the provisions contained therein to enable it to perform its work as required and to recommend to the Board the necessary amendments and additions.</p>		<p>Article VIII: Final Provisions</p> <p>1. These Regulations shall be effective from the date of approval by the General Assembly, and articles of these Regulations shall not be amended, deleted or added to these Regulations, except upon the approval of the General Assembly.</p> <p>2- These Bylaws are complementary to the Company's Articles of Association, the Company's Governance Regulations, and other relevant laws and regulations.</p>	

		<p>3. This Bylaw shall be repealed and replaced by all conflicting procedures, decisions or internal regulations of the Company. All that is not provided for in this regulation shall be subject to the relevant laws and regulations issued by the competent authorities.</p> <p>4. The Committee shall periodically review the Committee's work regulations for the purpose of verifying the adequacy of the provisions contained therein to enable it to perform its work as required and recommending to the Board the necessary amendments and additions.</p> <p>God bless““““““““</p>	
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