

Report of the Audit Committee on the adequacy of the internal control systems in the company:

The Audit Committee held five meetings during 2022G, all through visual communication, and through the Committee's direct supervision of the work of the Internal Audit Department in the company and the review of governance systems, risks, reports, financial statements and disclosures, the Committee carried out the following basic work:

- Review and approve the company's annual and quarterly financial reports.
- Study the main risks faced by the company, which include financial, operational and legal risks, and review the policies applied by the management related to the identification, evaluation and treatment of those risks.
- Review the independence of the internal audit department and whether it has been subjected to any deviation from objectivity and independence, which are two of the basic principles of internal audit.
- Evaluate the performance of the audit department through access to the reports and results recorded by the internal audit department and the extent of the impact achieved by the committee through the implementation of the audit department of follow-up procedures and closing important observations.
- Reviewing the extent to which the company applies the observations that were recorded in previous years, as the committee stressed the need not to be complacent in following up and ending the observations that have a high-risk nature.
- Making recommendations to the Board of Directors and the General Assembly of Shareholders related to the selection of the chartered accountant, which is based on the Committee's study of his professional competence, independence, expected risks of conflict of interest, as well as the fees he will receive.

Conclusion:

Based on this, the Committee examined all the essential aspects of the internal control systems through its direct supervision of the Internal Audit Department during its successive meetings during 2022G, and the Committee also reviewed the reports related to the effectiveness of the examination of the various operational activities and to ensure the safety of the Operational and financial procedures and their adequacy in the internal control system in order to ensure the effectiveness and adequacy of internal control systems and to raise the reliability and confidence of the degree of compliance with the relevant laws and regulations. On the basis of the work of the said Committee, it has reached reasonable assurances that there are no material observations or reservations or Weakness in internal control systems and company documents and records.



Dr. Solaiman Bin Abdullah Al-Sakran

Chairman



Mr. Waleed Mohammad Al-Othaimen

Member



Dr. Mohammad Bin Saud Albadr

Member

Date: 28/01/2023G.