



# Fourth Rule

## Ensuring the Integrity of Financial Reports

- **Board of directors and executive management undertakings for the soundness and integrity of the financial reports**

The soundness and integrity of the Company financial statements are among the most significant indicators of the integrity and credibility of the Company in presenting its financial position, which increases the confidence of shareholders and investors in the statements and information provided and disclosed by the Company to its shareholders. The Company executive management undertakes to the Company board of directors in writing that the Company financial reports are presented fairly and properly, and that they reviewed all financial aspects of the Company for the operational data and results, as well as being prepared according to the approved international accounting standards by the Authority. Further, the annual report submitted to shareholders by the Company board of directors comprises the undertaking of the soundness and integrity of all the financial statement as well as the reports relevant to the Company's activity. The said undertakings contribute in fostering accountability, whether the executive management's accountability by the board of directors or the board of directors' accountability by the shareholders.

- **Audit Committee Composition**

The Company has re-composed the Internal Audit Committee of three non executive members of the board of directors, including the independent member, who enjoy specialized experiences which are consistent with the nature of the Company's activity and enjoys full independence. Further, the Committee members include a member holding academic qualifications and practical experience in the accounting and financial field. The board has determined the Committee membership tenure and method of its work, as well as outlined the powers and responsibilities of the Audit Committee in its charter approved by the Board. The Committee met eight times in 2023. Further, it met with the Company external auditors and internal auditor.

- **During the Committee's work, there was no contradiction between the Audit Committee's recommendations and the board resolutions.**

- **Independence and neutrality of the Company external auditor**

- The Company ordinary general assembly appoints/re-appoints the Company auditor pursuant to the board of directors' resolution. The nomination of the auditor is pursuant to the recommendation of the Audit Committee. The Audit Committee takes into consideration that the auditor is registered in the Authority's special register, whereby he satisfies all the requirements of the Authority decree in connection with the auditors registration system, as well as ensure that the external auditor is independent of the Company and its board of directors, and does not undertake additional works for the Company which are not included within the auditing works, which may affect impartiality or independence. The Audit Committee holds discussion with the external auditor before submitting the annual accounts to the board of directors to take the decision in this respect.

- The external auditor prepares the annual ordinary general assembly meetings of the Company and reads the report prepared by it to the Company shareholders.