

Ordinary General Assembly Meeting (First Meeting)
By means of Modern Technology

29/12/1446 Corresponding to June 25, 2025

The Board of Directors of FAWAZ ABDULAZIZ ALHOKAIR & Co. (Cenomi Retail) Invites its shareholders to attend the Ordinary General Assembly meeting (first meeting) by means of modern technology

The Board of Directors of FAWAZ ABDULAZIZ AL HOKAIR & CO (Cenomi Retail) is pleased to invite its valued Shareholders to participate and vote in the Ordinary General Assembly meeting (the first meeting), which is scheduled to be held, at 20:00 PM on Wednesday 29/12/1446 corresponding to June 25, 2025

City and venue of the Ordinary General Assembly: Using modern technology from the company's main headquarters in Riyadh - Prince Turki Abdul Aziz Al Awwal Road - U Walk Complex (University Avenue). This is done through the use of Tadawulaty via the link www.tadawulaty.com.sa

To vote on the following agenda:

1. Review the Board of Directors Report for the fiscal year ended December 31, 2024 and discuss it.
2. Review the Annual audited financial statements for the financial year ended on 31/12/2024 and discuss them.
3. Vote on the External Auditor report for the fiscal year ended December 31, 2024 after discussing it.
4. Vote on releasing members of the Board of Directors from liability for their performance during the fiscal year ended December 31, 2024.
5. Voting on Paying an amount of SAR 1,800,000 as remuneration to the members of the Board of Directors the fiscal year ended December 31, 2024.
6. Vote on the appointment of the Company's external auditor from among the candidates based on the recommendation of the Audit Committee, to examine, review and audit the financial statements for the second and third quarters as well as the annual financial statements for the fiscal year 2025G, And the first quarter for the fiscal year 2026G, and to determine the auditor's fees.
7. Vote on the participation of Board Member Abdul Majeed Bin Abdulaziz Al-Hokair in a competing activity. (Attached)
8. Vote on the Board of Directors resolution to appoint Mr. Abdullah Mohammed Mattar as an independent Member of Board of Directors, effective 17-04-2025 to complete the current term of the Board of Directors ending on 11-08-2026, replacing the former member Mr. Bander Suliman AlGhafees (independent member) (CV attached)
9. Vote on the Audit Committee Charter amendment (Attached)

10. Vote on amendment to the remuneration policy for members of the Board of Directors, committees emanating from the Board, and executive management (attached)
11. Vote on amendment to the policies, standards and procedures for membership in the Board of Directors. (attached)
12. Vote on amendment to the standards and criteria governing the licensing of Board members who engage in activities that compete with the company's business. (attached)
13. Vote on Business dealings and contracts that took place between the Company and Arabian Centres Company in which the following Board members have an indirect interest in: Fawaz Bin Abdulaziz Al-Hokair, Abdul Majeed Bin Abdulaziz Al-Hokair, Abdulmajid Bin Abdullah Albasri. These dealings and contracts relate to real estate rental payments, in the amount of 310,281,422 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms). (Attached)
14. Vote on Business dealings and contracts that took place between the Company and the Egyptian Centers for Real Estate Development Company in which the following Board members have an indirect interest in: Fawaz Bin Abdulaziz Al-Hokair, Abdul Majeed Bin Abdulaziz Al-Hokair. These dealings and contracts relate to real estate rental payments, in the amount of 1,115,972 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms). (Attached)
15. Vote on Business dealings and contracts that took place between the Company and Hagen Ltd in which the following Board members have an indirect interest in: Fawaz Bin Abdulaziz Al-Hokair, Abdul Majeed Bin Abdulaziz Al-Hokair. These dealings and contracts relate to printing and advertising services, in the amount of 656,025 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms). (Attached)
16. Vote on Business dealings and contracts that took place between the Company and Al Farida Commercial Agencies Company in which the following Board member have an indirect interest in: Abdul Majeed Bin Abdulaziz Al-Hokair. These dealings and contracts relate to services and payments, in the amount of 35,430,396 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms). (Attached)
17. Vote on Business dealings and contracts that took place between the Company and Support Human Resources Company in which the following Board members have an indirect interest in: Fawaz Bin Abdulaziz Al-Hokair, Abdul Majeed Bin Abdulaziz Al-Hokair. These dealings and contracts relate to

Providing manpower services, in the amount of 22,890,728 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms). (Attached)

18. Vote on Business dealings and contracts that took place between the Company and Cenomi Academy in which the following Board member have an indirect interest in: Ahmed Bin Saleh AlSultan. These dealings and contracts relate to training services, in the amount of 3,341,399 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms). (Attached)
19. Vote to authorize the Board of Directors to study the best ways to leverage the company's 8.9% investment in Egyptian Centers for Real Estate Development (ECRED) , and to take the necessary actions. The Chairman of the Board of Directors, Mr. Fawaz Abdulaziz Alhokair, and the Vice Chairman of the Board of Directors, Dr. Abdulmajeed bin Abdulaziz Alhokair, are related parties.

Each of the shareholders registered in the company's shareholder's register at a deposit center at the end of the trading session preceding the meeting of the assembly has the right to attend the ordinary general assembly meeting in accordance with the rules and regulations. The right of registration to attend the assembly meeting ends at the time of the assembly meeting. Eligibility for Voting on the agenda of the meeting ends upon the Counting Committee concludes counting of the votes. The ordinary general assembly meeting is valid if the attended Shareholders represent at least half of the capital. Noting that the registered shareholders in the TADAWULATY services will be able to vote electronically on the assembly's items starting from 01:00 in the morning on Sunday 26/12/1446 AH corresponding to June 22, 2025 AD until the close of the Ordinary General Assembly registration period. Voting for TADAWULATY services will be free and available to all shareholders via the following link: tadawulaty.com.sa.

If you have any inquiries, please contact us through the following channels:

Phone: 0114146707

Email: ir.retail@cenomi.com

Fawaz A. Alhokair & Co(SJSC)

(Cenomi Retail)

Audit Committee Annual Report

For the Fiscal Year ended December 31, 2024

A- Audit Committee

The Audit Committee was formed by a decision of the Board of Directors consisting of three (3) members, including a member specializing in financial and accounting affairs, and an independent board member.

The tasks and responsibilities of the Audit Committee are summarized as follows:

1. Supervising the management of internal audit to ensure its effectiveness in implementing the tasks and activities defined by the accounting policies approved by the Board of Directors and relevant authorities.
2. Studying internal audit reports and monitoring the implementation of corrective actions for the observations mentioned therein.
3. Presenting recommendations to the General Assembly for the appointment of external auditors, terminating their engagement, determining their fees, ensuring their independence, and monitoring their activities, including reviewing and approving the audit plan with the external auditor.
4. Studying the external auditor's observations on the company's financial statements and following up on actions taken, along with reviewing the quarterly and annual financial statements before presenting them to the Board of Directors, providing opinions, and making recommendations regarding them.
5. The full responsibility for the accuracy of the financial data lies with the executive management, while the responsibility of the Audit Committee is limited to providing an independent opinion based on the information presented to it by the company management, internal audit management, and external auditors.
6. Evaluating the effectiveness of the company's risk assessment of significant risks and the steps taken by the company management to monitor and address these risks, and providing opinions and recommendations to the Board of Directors regarding them.
7. Issuing an annual report to the General Assembly that includes details of the committee's performance regarding its duties and responsibilities as stipulated in the Company Law and its executive regulations. The report should include the committee's recommendations and opinions on the effectiveness of the company's internal control and financial systems, as well as its risk management systems.

8. Providing an annual report to the shareholders that clarify the role and responsibilities of the committee, along with any other information required by the relevant official authorities.

B- Members of the Audit Committee

Name	Title
Dr. Abdulrahman M. Al-Anqari	Chairman of the Committee (from 5/9/2023, until present)
Mr. Ahmed S. Al-Sultan	Committee Member (from 5/9/2023, until present)
Mr. Zaki A. Al-Awami	Committee Member (from 5/9/2023, until present)

C- Schedule of Meetings for Audit Committee Members

Nine (9) meetings of the Audit Committee were held during the period from January 1, 2024, to December 31, 2024, as follows:

Meeting Number	Date	Dr. Abdulrahman	Mr. Ahmed	Mr. Zaki
1	15 January 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
2	14 February 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
3	27 March 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
4	14 May 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
5	03 July 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
6	05 August 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
7	16 September 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
8	30 October 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
9	04 November 2024	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>	✓ <input type="checkbox"/>
Total attendance of meetings for each member		9	9	9

D- Completed Committee Tasks

1. Recommendation to the Board and General Assembly to appoint the external auditor BDO to audit the Company's financial statements for the fiscal year ended December 31, 2024.
2. Audit of the Company's annual and quarterly financial statements and provide recommendations to the Board for approval based on the external auditor's advice.
3. The Executive Management is directed to take the necessary measures to address all observations contained in the Deloitte report titled "Forensics Investigation in Inditex Inventory Shrinkage" for the period from March 31, 2015, to December 31, 2022.

4. Regarding the Deloitte report for the review of project contracts and services provided by Alix Partners, the Legal Department is to be tasked with reviewing all agreements and annexes related to this project and sending a report on the outcome of the legal review to the Chief Executive Officer.
5. The Committee requested company management to inform the Board of its compliance with the Board's decision regarding salary cost reduction and management's plan for implementing this decision. Management is also to present justifications for any exceptional salary increases.
6. The Committee directed adherence to the Board's decision which emphasized instructions not to terminate the services of any employee before the end of their contract period, except with exceptional approval from the Board or one of its sub-committees.
7. Regarding the review of settlement procedures for the partnership agreement between Cenomi Retail and BONTRADE in the Georgia Fashion Trading Company, the Committee directed that the settlement process be carried out with the local partner, BONTRADE. The Committee agrees on the necessity of implementing the legal advisor's recommendation and recommends that the esteemed Board direct management to proceed accordingly.
8. The Financial Department and other relevant departments within the company must ensure all audit requirements requested by the external auditor are submitted in a timely manner. A clear and agreed-upon deadline must be established between the Financial Department and the external auditor to avoid any delays. The internal auditor should be informed of any potential delays so they can be escalated to the Audit Committee promptly.
9. Several meetings were held with the company's management, the external auditor, and the internal auditor to ensure that the company's management had provided them with all the necessary data and information to perform their work.

During these meetings, the Committee recommended the following:

- Establish a Governance and Compliance Committee to verify the company's adherence to systems and regulations.
- Establish a Risk Committee to oversee and direct the management of business risks within the company.
- Develop and improve internal control, risk, and governance procedures across all company activities, with a focus on activities related to implementing the company's strategy. This includes focusing on Improving the performance of strategic brands , Selling or closing loss-making brands, Reducing operating costs according to the plan approved by the Board of Directors, Developing inventory control

procedures to enhance the company's financial position, achieve company objectives, and protect shareholders' rights.

- Improve the performance of international companies with growth opportunities and disburse due bonuses to their teams to incentivize better performance, aiming to increase their profits and maintain a higher level of performance.

10. Review and approve the annual plan, annual appraisal, and increments and bonuses for the Internal Audit Department.
11. Review and approve the Internal Audit charter, manual, and protocols.
12. Review internal audit reports and follow up on the implementation of observations and recommendations contained therein.

E- Internal Audit Management

The Internal Audit Department, in collaboration with Crowe, is responsible for the internal audit functions across various departments of the company. In carrying out these internal audit services, it is committed to the following:

1. Reviews are conducted in accordance with the professional standards adopted by the Institute of Internal Auditors (IIA).
2. Maintain independence and objectivity, adhere to the highest degree of fairness and integrity, and comply with the Code of Ethics established by the Institute of Internal Auditors (IIA).
3. Maintain good relationships with fellow auditors, characterized by open communication, trust, mutual respect, and professionalism. Also, maintain a high level of performance and time management.
4. Encourage teamwork and innovation. Achieve continuous professional improvement through obtaining professional certifications and educational goals in the professional field. Conduct comprehensive reviews to provide a reasonable level of assurance.
5. Work on professionally developing the department to match the company's business volume and seriously commit to localizing the necessary expertise for that purpose.

F- Internal Audit Management Scope of Work

1. Prepare the annual internal audit plan based on the risks identified during the risk assessment. This plan should be validated by management, and limited resources should be prioritized. The audit plan is structured over three years, with each year featuring a mix of internal audit tasks based on risk assessment, compliance assistance, necessary advisory services, continuous monitoring, and follow-up.
2. Assist management in achieving its goals and objectives by striving to positively impact the efficiency and effectiveness of operations.
3. Continuously affirm professionalism, competence, and a positive attitude.
4. Continuously leverage renewed audit methodologies and technology to make the audit process more effective and efficient.
5. Strive to be a leader in the professional practice of internal auditing within Saudi Arabia.
6. Develop and implement risk-based sampling and testing principles to determine whether the most significant administrative controls are well-designed and operating as intended.

G- - Supervision of the Audit Committee

The Audit Committee periodically oversees the internal audit activities and regularly reviews its reports. To ensure the independence of the internal audit, the Head of Internal Audit submits technical, professional, and administrative reports to the Audit Committee, without any intervention from company managers in internal audit affairs. The Internal Audit department does not assume any direct operational responsibility in any of the areas or activities under review. It is the responsibility of the Head of Internal Audit to annually confirm to the Audit Committee the independence of the Internal Audit management.

The Internal Audit Management provides the Audit Committee with a summarized report on weaknesses in internal controls, limited scope, best practices, and areas for improvement on a quarterly basis, In accordance with the international Professional Practices Framework (IPPF) set by the Institute of Internal Auditors. This aims to enhance the existing internal control framework.

H - Audit Committee Opinion on the Internal Control System

As a result of the efforts of the Audit Committee at both the company level and its subsidiaries, the annual review of internal control procedures selected for testing

during the fiscal year ended December 31, 2024, by the committee, internal audit, as well as external audit reports, indicate that the executive management has initiated a corrective plan for some important issues highlighted in the previous committee report, including the following:

- Work on implementing the internal audit recommendations to enhance internal control systems, as outlined in the periodic internal audit follow-up reports.
- Approve the policies and procedures prepared by PwC to strengthen the company's internal control and governance systems.
- Implement the Lake Data program to resolve issues related to data integration between Inditex brands' sales program and the Oracle program implemented by the company
- Closing and selling trademarks that cause financial losses and focusing on strategic marks that lead to financial profits to the company

The committee observes that internal control, risk, governance, and activities related to some critical operations require further development, such as inventory operations (including inventory counting, allocation calculation, inventory write-off, and clearance inventory sales), fixed assets, financial reporting, information systems applications, sales operations, and international subsidiaries outside the Kingdom.

Mr. Ahmed Al-Sultan Committee Member	Dr. Abdulrahman Al-Anqari Chairman of the Committee	Mr. Zaki Al-Awami Committee Member

Attachment of item 6

Audit Committee Recommendation regarding the nomination of External Auditor

Date: 29 May 2025

M/S: the shareholders of Fawaz Abdulaziz Al Hokair & Co.

Greetings,

Please be informed that the Audit Committee ("the Committee") of Fawaz Abdulaziz Al Hokair & Co., a Saudi joint-stock company ("Al Hokair" or "the Company"), reviewed and compared the offers received from two firms: "BDO" and "PKF" for appointing the external auditor for the Company to audit the financial statements of the second quarter, the third quarter and the annual periods for the financial year starting from 1 Jan 2025 and the first quarter of the financial year starting on 1 Jan 2026.

The requests ("Request for Proposals") were sent to 9 audit firms: Deloitte, E&Y, PWC, Talal Abu-Ghazaleh, RSM, BDO, MOORE, PKF and LYCA.

We received apology letters from Deloitte, E&Y, PWC, RSM and LYCA and no reply has been received from rest of the firms until the deadline for receiving the offers.

The Committee reviewed the details of the submitted offers, the scope of work and comparison of fees as follows:

- 1- PKF- Ibrahim Albassam & Partners Company, Accountants and Legal Auditors (total costs: 2.7 million Saudi Riyal for auditing the entities inside the Kingdom only).
- 2- BDO- Dr. Mohammed Al-Amri & Partners Company, Accountants and Legal Auditors (total costs: 3.3 million Saudi Riyal for auditing the entities inside the Kingdom only).

The Committee nominated to the general assembly selecting one of the aforementioned auditing firms.

Thank you sincerely,

Mr. Ahmed Saleh Al-Sultan, Committee Member, Signature

Mr. Zaki Abdullah Al-Awami, Committee Member, Signature

Dr. Abdulrahman Mohammed Al-Anqari, Committee Chairman, signature

Attachment of item 7

Description of the company in which the member practices a business that competes with the company's business

The companies witch the board member Abdulmajeed Abdulaziz Alhokair has a competitive activity

Company name	Board member position	Description of the competing company	Ownership percentage of the member
Majd Alaamal Group Limited liability Company	Partner	Majd Alaamal is a group working in multiple sectors (restaurants, financial investments, real estate and contracting)	50%

Attachment of item 8

Resume of Dr. Abdullah Mohammed Mattar



Form No. (1) Resume

1) Personal Information of the Nominated Member				
Full Name	Abdullah bin Mohammed bin Abdullah Mattar			
Nationality	Saudi	Date of Birth	30/10/1978	
2) Academic Qualifications of the Nominated Member				
No.	Qualification	Specialization	Date of the awarded degree	The Name of the awarding entity
1	L.L.B, Bachelor of Law	Law	2002	University of Cairo (EGY)
2	LLM, Master's in International Trade Law	International Trade Law	2008	University of Arizona (USA)
3	PhD, Doctorate in International Commercial Law	International Commercial Law	2015	Brunel University London (UK)
4	Postgraduate Diploma in Leadership	Leadership	2022	Emeritus Institute of Management (UAE)
3) Experiences of the Nominated Member				
Apr 2022 – Present	Managing Partner – Alrasana Advocacy & Legal Consultations Co.			
Dec 2024 – Present	Member – National Committee for Strategic Partnerships, Federation of Saudi Chambers of Commerce			
Nov 2024 – Present	Chairman – Appeals Committee, Jockey Club of Saudi Arabia			
Nov 2022 – Mar 2023	Member – Executive Committee, ADEER ASAR Real Estate Co.			
Oct 2022 – May 2023	Board and all its Committees Secretary – Al Hassan Ghazi Ibrahim Shaker Co.			
Feb 2022 – Oct 2022	Consultant H.E. CEO – Saudi Space Commission			
Aug 2020 – Feb 2022	General Director of Legal Affairs – Saudi Space Commission			
May 2018 – Jul 2020	Chief Legal Officer / General Counsel – Fawaz Alhokair Fashion Retail Group			
Jan 2018 – Jun 2018	Lecturer – Al Yammama University			
Mar 2016 – Mar 2018	Legal Advisor – Foreign Trade Agency, Ministry of Commerce and Investment			
Jan 2015 – Jun 2018	Lecturer – Dar Al Uloom University			
Jan 2015 – Feb 2016	Senior Associate – Hammad & Al Mehdar Law Firm (In alliance with Simmons & Simmons)			
Jun 2014 – Dec 2014	Audit and Legal Advisor – Saudi Aramco Shell Refinery			



2010 – 2011		Legal Advisor – Royal Embassy of Saudi Arabia, UK				
2004 – 2006		Legal Consultant – SEDCO				
4) Current membership in the board of directors of other joint stock companies (listed or un-listed) or any other company of any legal form or its committees:						
No.	Company Name	Main Activity	Members hip Type (Executive, non executive, Independent)	Appointment method (a nominee as a shareholder, appointed by a shareholder who enjoys the right of appointment under the company's articles of association, nominated by a shareholder)	Membershi p of Committees	Legal form of the Compa ny
1	Alrasana Advocacy & Legal Consultations Co.	Law	Managing Director – Executive	Appointed by the shareholders	N/A	Professio nal Limited Liability

* Disclaimer: This form represents a translation of the Arabic original version, therefore, in case of any misinterpretation, the Arabic version will prevail.

Attachment of item 9 to item 12

Proposed amendments to the following policies:

- 1. Audit Committee Charter**
- 2. Remuneration policy for the members of the BOD, and committees emanating from the board, and the executive management.**
- 3. Policies, standards and procedures for membership in the Board of Directors.**
- 4. Standards and criteria governing the licensing of a board member to engage in activities that compete with the company's business.**

Amendments the Audit Committee Charter

Before amendment	After amendment
<p><u>Article One: Definitions:</u></p> <p>1. Companies Law: The Companies Law issued by Royal Decree No. (M/3) dated 28/1/1437 AH.</p> <p>2. Corporate Governance Regulations: The Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-16-2017 dated 16/5/1438 AH corresponding to 13/2/2017 AD, based on the Companies Law issued by Royal Decree No. (M/3) dated 28/1/1437 AH, as amended by the Capital Market Authority Board Resolution No. 1-7-2021 dated 1/6/1442 AH corresponding to 14/1/2021 AD.</p> <p>3. Independent Member: A non-executive board member who enjoys full independence in his position and decisions, and none of the independence impairment criteria stipulated in Article 20 of the Corporate Governance Regulations apply to him.</p> <p>Person: Any natural or legal person recognized by the laws of the Kingdom as having such status.</p>	<p><u>Article One: Definitions:</u></p> <p>1. Companies Law: The Companies Law issued by Royal Decree No. (M/132) dated 1/12/1443 AH.</p> <p>2. Corporate Governance Regulations: The Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-16-2017 dated 16/5/1438 AH corresponding to 13/2/2017 AD, based on the Companies Law issued by Royal Decree No. (M/3) dated 28/1/1437 AH, as amended by the Capital Market Authority Board Resolution No. 8-5-2023 dated 25/6/1444 AH corresponding to 18/1/2023 AD, based on the Companies Law issued by Royal Decree No. (M/132) dated 1/12/1443 AH.</p> <p>3. Day: A calendar day whether a working day or not.</p> <p>4. Relatives or Kinship:</p> <ul style="list-style-type: none"> - Fathers, mothers, grandfathers, grandmothers, even if they are ancestors. - Children and their children, even if descendants. - Full siblings, paternal or maternal siblings. - Husbands and wives.
<p><u>Article Three: Formation of the Committee:</u></p> <p>1. The Audit Committee shall be formed by a resolution of the Ordinary</p>	<p><u>Article Three: Formation of the Committee:</u></p> <p>a) An Audit Committee shall be formed by a decision of the Company's</p>

<p>General Assembly of the Company for a term of three years. It shall consist of three members from the shareholders or others, provided that at least one is an independent member and that none of the members are executive members of the Board of Directors.</p>	<p>Board of Directors, consisting of shareholders or others, provided that none of the members are executive board members. The number of Audit Committee members shall not be less than three and not more than five, and at least one of them must be specialized in financial and accounting affairs.</p> <p>d) At least half of the Audit Committee members must be independent members or those who do not meet the independence impairment criteria.</p> <p>e) The Company's General Assembly shall issue—based on the Board of Directors' proposal—the Audit Committee Work Regulations, which must include the controls and procedures for the committee work and tasks, rules for selecting its members, nomination procedures, term of membership, their remuneration, and the mechanism for temporarily appointing members in case of a vacant seat.</p> <p>f) A member of the Audit Committee must not hold membership in the audit committees of more than five publicly listed joint-stock companies in the Market simultaneously.</p> <p>g) Audit Committee members shall be appointed for a term not exceeding four years.</p>
<p><u>Article Four: Vacant Position</u></p> <p>In case of a vacancy in any seat of the committee during its term due to death, resignation, disability, or the member's request to be relieved</p>	<p><u>Article Four: Vacant Position</u></p> <p>In case of a vacancy in any seat of the committee during its term due to death, resignation, disability, or a member's request to be relieved from</p>

from the committee membership, the Board of Directors shall appoint, based on the recommendation of the Nomination and Remuneration Committee, another member temporarily to fill the vacant position in the committee, taking into account the conditions required for a committee member. This appointment shall be presented to the next General Assembly for approval. The member may also be reappointed for another term.

Article Five: Relief from Committee Membership

Any member of the committee may be relieved from membership by a decision of the General Assembly based on a recommendation from the Board of Directors.

Article Eleven: Committee Meetings

1- The committee shall meet periodically with the company's external auditor and, if available, with the company's internal auditor.

5- The external legal auditor shall be invited regularly to attend the committee meetings.

Article Fifteen: Committee Members' Remuneration

A committee member is entitled to a fee of SAR 3,000 for attending each committee meeting and an annual remuneration of SAR 150,000.

the committee membership, the Board of Directors shall appoint, based on the recommendation of the Nomination and Remuneration Committee, another member to the vacant position, provided that the appointed member has sufficient experience and meets the committee membership criteria. The member may be reappointed for another term.

Article Five: Relief from Committee Membership

Any member of the committee may be relieved from membership by a decision of the Board of Directors.

Article Eleven: Committee Meetings

The committee shall meet periodically with the company's external auditor and internal auditor.

Article Fifteen: Committee Members' Remuneration

A committee member is entitled to a fee of SAR 10,000 for attending each committee meeting and an annual remuneration of SAR 100,000. The maximum number of meetings shall not exceed 10 meetings per year, with a minimum total remuneration of no less than SAR 150,000 annually.

Amendments to the remuneration policy for the members of the Board of Directors, and committees emanating from the board, and the executive management	
Before Amendment	After Amendment
<p>Article One: Definitions</p> <p>1- Companies Law: The Companies Law issued by Royal Decree No. (M/3) dated 28/01/1437H.</p> <p>2- Corporate Governance Regulations: The Corporate Governance Regulations issued by the Board of the Capital Market Authority under Resolution No. (8-16-2017) dated 16/05/1438H (corresponding to 13/02/2017 AD) based on the Companies Law issued by Royal Decree No. (M/3) dated 28/01/1437H, and amended by the Capital Market Authority Board Resolution No. (3-57-2019) dated 01/06/1442H (corresponding to 14/01/2021 AD).</p> <p>3- Authority: The Capital Market Authority.</p> <p>4- Company: Fawaz Abdulaziz Alhokair & Co.</p> <p>5- Board of Directors: The Company's Board of Directors.</p>	<p>Article One: Definitions</p> <p>1- Companies Law: The Saudi Companies Law issued by Royal Decree No. M/132 dated 01/12/1443H (corresponding to 30/06/2022 AD).</p> <p>2- Corporate Governance Regulations: The Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-16-2017 dated 16/05/1438H (corresponding to 13/02/2017 AD), based on the Companies Law issued by Royal Decree No. M/3 dated 28/01/1437H, as amended by the Capital Market Authority Board Resolution No. 8-5-2023 dated 25/06/1444H (corresponding to 18/01/2023 AD), based on the Companies Law issued by Royal Decree No. M/132 dated 01/12/1443H.</p> <p>3- Authority: The Capital Market Authority.</p> <p>4- Company: Fawaz Abdulaziz Alhokair & Co.</p> <p>5- Board of Directors: The Company's Board of Directors.</p>

<p>6- Shareholders: The Company's Shareholders.</p> <p>7- General Assembly: An assembly formed of the company's shareholders pursuant to the provisions of the Companies Law and the company's articles of incorporation.</p> <p>8- Remunerations: Amounts, allowances, profits and their equivalents, periodic or annual performance-based remunerations, short- or long-term incentive plans, and any other in-kind benefits, excluding actual and reasonable expenses and costs borne by the company on behalf of a board member for the purpose of performing their duties.</p> <p>9- Board Member: A member of the Company's Board of Directors.</p> <p>10- Policy: The Remuneration Policy for Board Members, Board Committees and Executive Management.</p> <p>11- Executive Management / Senior Executives: Persons responsible for managing the company's daily operations, proposing and implementing strategic decisions, such as the</p>	<p>6- Shareholders: The Company's Shareholders.</p> <p>7- General Assembly: An assembly convened in the presence of the company's shareholders in accordance with the provisions of the Companies Law and the company's articles of incorporation.</p> <p>8- Remunerations: Amounts, allowances, profits and their equivalents, periodic or annual performance-based remunerations, short- or long-term incentive plans, and any other in-kind benefits, excluding actual and reasonable expenses and costs borne by the company on behalf of a board member for the purpose of performing their duties.</p> <p>9- Board Member: A member of the Company's Board of Directors.</p> <p>10- Policy: The Remuneration Policy for Board Members, Board Committees and Executive Management.</p> <p>11- Executive Management / Senior Executives: Persons responsible for managing the company's daily operations, proposing and implementing strategic decisions, such as the Chief Executive Officer, his deputies, and the Chief Financial Officer.</p>
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<p>Chief Executive Officer, his deputies, and the Chief Financial Officer.</p> <p>12- Independent Member: A non-executive board member who is fully independent in his position and decisions and is not subject to any of the independence impairments stated in Article 20 of these Regulations.</p> <p>13- Executive Member: A board member who works full-time in the company's executive management and is involved in its daily operations.</p> <p>14- Non-Executive Member: A board member who does not work full-time in the company's management and does not participate in its daily operations.</p>	<p>12- Independent Member: A non-executive board member who is fully independent in his position and decisions and is not subject to any of the independence impairments stated in Article Nine the Companies Governance Regulation issued by the Capital Market Authority.</p> <p>13- Executive Member: A board member who works full-time in the company's executive management and is involved in its daily operations.</p> <p>14- Non-Executive Member: A board member who does not work full-time in the company's management and does not participate in its daily operations.</p>
<p>Article Two: Preamble</p> <p>This Policy sets out the rules, controls, and procedures related to the remuneration of board members. The provisions of this Policy shall be applied in a manner consistent with the company's memorandum of association, articles of incorporation, and the relevant regulations governing the company's activities, without prejudice to the provisions of the</p>	<p>Article Two: Preamble</p> <p>This policy sets out the rules, standards, and procedures governing the remuneration of the members of the Board of Directors, its committees, and the executive management. The provisions of this policy shall be applied in a manner consistent with the company's articles of incorporation and the relevant regulations governing the company's operations, without prejudice to the provisions of the Companies Law,</p>

<p>Companies Law, the Capital Market Law, the Corporate Governance Regulations, and the regulatory rules and procedures issued for the implementation of the Companies Law applicable to listed joint stock companies and other relevant regulations. This Policy is issued in implementation of paragraph (1) of Article 61 and Article 62 of the Corporate Governance Regulations.</p>	<p>the Capital Market Law, the Corporate Governance Regulations, and the Executive Regulations of the Companies Law applicable to listed joint stock companies.</p>
<p>Article Five: Remuneration of Board Members</p> <p>1- In accordance with Article (76) Seventy-Six of the Companies Law, the company's articles of incorporation shall determine the method of remunerating board members. This remuneration may be a fixed amount, an attendance allowance for meetings, in-kind benefits, or a percentage of net profits. It is permissible to combine two or more of these types of benefits.</p> <p>2- If the remuneration is based on a percentage of the company's profits, it shall not exceed (5%) of the net profits</p>	<p>Article Six: Remuneration of Board Members</p> <p>1. The remuneration of Board members may consist of a fixed amount, attendance allowances, in-kind benefits, or a specific percentage of net profits. It is permissible to combine two or more of these benefits.</p> <p>2. In accordance with Article 21 of the Company's Articles of Incorporation, the remuneration of a Board member consists of an annual amount of SAR 200,000 (Two Hundred Thousand Saudi Riyals), in addition to SAR 15,000 (Fifteen Thousand Saudi Riyals) for each meeting personally attended. If the meeting is held remotely using modern audio-visual communication technologies or any other electronic means</p>

<p>after deducting the reserves determined by the General Assembly in accordance with the provisions of the Companies Law and the company's articles of incorporation, and after distributing a dividend to shareholders not less than (5%) of the company paid-up capital. This remuneration must be proportionate to the number of meetings attended by the board member; any contrary provision shall be deemed void.</p> <p>3- In accordance with Article 21 of the company's articles of incorporation, each board member shall receive an annual remuneration of (SAR 200,000) Two Hundred Thousand Saudi Riyals, in addition to (SAR 15,000) Fifteen Thousand Saudi Riyals, for each meeting personally attended, within the limits set by the Companies Law and its regulations. If the meeting is held remotely using visual, audio, or other electronic means approved by the board, a sum of SAR 15,000 shall be paid per meeting.</p> <p>4- The company shall arrange business class travel tickets for members residing outside the region where the meeting is held, for both domestic and international flights. If business class is unavailable, first class may be booked. If the member purchases the ticket themselves, they shall be reimbursed in</p>	<p>deemed appropriate by the Board, an amount of SAR 15,000 shall be paid for each meeting.</p> <p>3. If the remuneration of Board members is based on a percentage of profits, the following must be observed:</p> <p>a. The remuneration of independent Board members must not be a percentage of the company's profits or directly or indirectly linked to the company's profitability.</p> <p>b. The specific percentage of net profits shall be determined based on a recommendation from the Nomination and Remuneration Committee, provided the company achieves profits, and it must be presented to the General Assembly for approval without contradicting the Company's Articles of Incorporation or any other applicable regulations.</p> <p>4. The company shall bear the costs of travel, accommodation, and transportation for all members of the Board, its committees, and executive management, as follows:</p> <p>a. The company shall book business class tickets for members residing outside the region where the meeting is held (domestic or international). If unavailable, first-class tickets will be booked. If a member purchases the ticket personally, they shall be reimbursed SAR 2,000 for domestic flights or SAR 5,000 for international flights.</p>
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<p>the amount of SAR 2,000 for domestic flights or SAR 5,000 for international flights.</p> <p>5- The company shall provide accommodation for up to two nights for members residing outside the meeting location (inside or outside the Kingdom), in an executive room at a five-star hotel. If the member pays directly, they shall be reimbursed in the amount of SAR 2,000 per night (up to two nights). If the meeting is held outside the Kingdom and the member books their own accommodation, they shall receive SAR 3,000 per night (up to two nights).</p> <p>3- The company shall provide meals and transportation for members residing outside the meeting location (inside or outside the Kingdom). If this is not possible, the member shall be reimbursed in the amount of SAR 2,000 for each domestic meeting. If the meeting is held abroad the Kingdom and the member arranges meals and transport themselves, the allowance shall be paid as follows:</p> <p>a. SAR 15,000 per meeting if held in a GCC country or neighboring Arab country.</p> <p>b. SAR 15,000 per meeting if held in any other country not included in (a).</p>	<p>b. The company shall provide accommodation for up to two nights for members residing outside the region where the meeting is held (within or outside the Kingdom). Accommodation shall be in an executive room in a five-star hotel. If paid by the member, a reimbursement of SAR 2,000 per night shall be made, up to a maximum of two nights. If the meeting is held outside the Kingdom and the member books directly, SAR 3,000 per night shall be reimbursed, up to two nights.</p> <p>c. The company shall provide meals and transportation for members residing outside the region where the meeting is held (inside or outside the Kingdom). If this cannot be arranged, the member shall be compensated SAR 2,000 per meeting within the Kingdom. If the meeting is held outside the Kingdom and the member covers meals and transportation, SAR 5,000 shall be reimbursed per meeting.</p> <p>5. The Board of Directors' report to the Ordinary General Assembly must include a comprehensive statement of all amounts received by Board members during the fiscal year, including remuneration, expense allowances, and other benefits. It must also disclose any amounts received by members in their capacity as employees or executives, or for technical, administrative, or consulting work. Additionally, it must include the number of Board meetings and the number of meetings attended by each member since the last General Assembly meeting.</p>
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<p>In all cases, the total remuneration and financial or in-kind benefits received by a board member shall not exceed (SAR 500,000) Five Hundred Thousand Saudi Riyals annually, in accordance with the rules set by the competent authority.</p> <p>6- The Board of Directors' report to the Ordinary General Assembly must include a comprehensive statement of all remunerations, expense allowances, and other benefits received by board members during the fiscal year. It must also disclose any amounts received by members as employees or executives, or for technical, administrative, or advisory work, and provide a record of the number of board meetings and the attendance of each member since the last General Assembly meeting.</p>	
<p>Article Six: Remuneration of Board Committees and Secretaries</p> <p>1. The remuneration for members of the board committees consists of an annual amount of (SAR 100,000) for members of the Audit Committee, in addition to an attendance allowance of (SAR 10,000) for each meeting personally attended. The maximum number of compensated meetings shall not exceed</p>	<p>Article Seven: Remuneration of Board Committees and Secretaries</p> <p>1. The remuneration of the Audit Committee members, formed by the Board, consists of an annual amount of SAR 100,000 for each member, in addition to an attendance allowance of SAR 10,000 for each meeting personally attended, with a maximum of 10 compensated meetings per year.</p>

<p>10 per year, and the minimum total remuneration shall not be less than (SAR 150,000).</p> <p>2. Members of other committees shall receive an annual remuneration of (SAR 75,000), plus (SAR 5,000) for each meeting personally attended, subject to a maximum of 10 meetings per year. The minimum total remuneration shall not be less than (SAR 75,000). This shall be calculated from the date the board approves the member's appointment. The attendance allowance shall also apply in cases where the meeting is held remotely through the use of modern visual or audio communication technologies, or any other electronic means.</p> <p>3- The Board Secretary shall receive an annual remuneration of SAR 75,000 and SAR 5,000 for each board meeting attended.</p> <p>4- Committee Secretaries shall receive an annual remuneration of SAR 50,000 and SAR 3,000 for each committee meeting attended.</p> <p>5- The Board of Directors' report to the Ordinary General Assembly must include a comprehensive statement of all</p>	<p>2. The remuneration of members of other committees consists of an annual amount of SAR 75,000, in addition to an attendance allowance of SAR 5,000 for each meeting personally attended, with a maximum of 10 compensated meetings per year and a minimum total remuneration not less than SAR 75,000. This remuneration shall be calculated from the date of the Board's approval of the member's appointment. The attendance allowance also applies to meetings held remotely through modern visual, audio, or other electronic communication means.</p> <p>3. The remuneration of the Secretary of the Board of Directors consists of an annual amount of SAR 75,000, in addition to an attendance allowance of SAR 5,000 for each Board meeting.</p> <p>4. The remuneration of the secretaries of Board committees consists of an annual amount of SAR 50,000, in addition to an attendance allowance of SAR 3,000 for each committee meeting.</p> <p>5. The Board of Directors' report to the Ordinary General Assembly must include a comprehensive statement of all amounts received by each committee member during the fiscal year, including remuneration, expense allowances, and other benefits.</p>
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<p>remuneration, expense allowances, and other benefits received by committee members and secretaries during the fiscal year.</p>	
<p>Article Seven: Guidelines for Disbursing and Determining Remunerations</p> <p>Taking into consideration all relevant laws and regulations issued by other regulatory authorities, the Board of Directors must comply with the provisions of the Companies Law and its executive regulations when determining and disbursing the remuneration of its members, in addition to the following standards:</p> <ol style="list-style-type: none"> 1. Remuneration must be fair and proportionate to the member's duties, responsibilities, and contributions, as well as the goals set by the Board for the fiscal year. 2. Remuneration must be based on a recommendation by the Nomination and Remuneration Committee. 3. Remuneration must be commensurate with the company's activity and the skill required to manage it. 	<p>Article Five: Guidelines for Disbursing and Determining Remunerations</p> <ol style="list-style-type: none"> 1. Remuneration must be fair and proportionate to the member's duties, responsibilities, and contributions, as well as the goals set by the Board for the fiscal year. 2. Remuneration must be based on a recommendation by the Nomination and Remuneration Committee. 3. The Board of Directors shall approve the remuneration of board members, committee members, and senior executives. 4. Remuneration must be commensurate with the company's activity and the skill required to manage it. 5. Consideration must be given to the company's sector, size, and the experience of board members.

<p>4. Consideration must be given to the company's sector, size, and the experience of board members.</p> <p>5. Remuneration must be reasonably sufficient to attract, motivate, and retain qualified and experienced board members.</p> <p>6. Board members may not vote on the remuneration item concerning board members at the General Assembly meetings.</p> <p>7. A board member may receive remuneration for membership in the Audit Committee formed by the General Assembly, or for any additional executive, technical, administrative, or advisory roles they are professionally licensed to perform. This is in addition to any remuneration earned as a board member or as a member of board committees, in accordance with the Companies Law and the company's articles of incorporation.</p> <p>8. Board member remuneration may vary to reflect the member's expertise, duties, level of independence, attendance at meetings, and other relevant considerations.</p>	<p>6. Remuneration must be reasonably sufficient to attract, motivate, and retain qualified and experienced board members.</p> <p>7. Board members may not vote on the remuneration item concerning board members at the General Assembly meetings.</p> <p>8. A member of the Board of Directors may receive remuneration for any additional executive, technical, administrative, or advisory works or roles—based on a professional license—that they are assigned within the company. This shall be in addition to the remuneration they may receive as a Board member or as a member of any committees formed by the Board of Directors.</p> <p>9. Board member remuneration may vary to reflect the member's expertise, duties, level of independence, attendance at meetings, and other relevant considerations.</p> <p>10. The Board must disclose in its annual report the remuneration policy, the method of its determination, and all financial and in-kind amounts and benefits paid to each board member for any executive, technical, administrative, or advisory works or roles.</p>
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<p>9. Independent board members may not receive profit-based remuneration, whether directly or indirectly linked to the company's profitability.</p> <p>10. The Board must disclose in its annual report the remuneration policy, the method of its determination, and all financial and in-kind amounts and benefits paid to each board member for any executive, technical, administrative, or advisory works or roles.</p>	
<p>Article Eight: Additional Determinants for Remuneration and Payment Mechanism</p> <p>1. The Board of Directors shall approve the remuneration of board members, committee members, and senior executives, except that the General Assembly shall exclusively approve the remuneration of the Audit Committee members.</p> <p>2. Board members may not vote on the remuneration item concerning board members during the General Assembly of Shareholders meeting.</p> <p>3. The company shall disclose the remuneration of board members and senior executives in the board's annual report in</p>	<p>Remove the Article</p>

<p>accordance with the regulations and directives of the Companies Law and the Capital Market Authority laws and their executive regulations.</p>	
<p>Article Nine: Executive Management Remuneration</p> <p>1. At the beginning of each fiscal year, the Board of Directors, in coordination with the Nomination and Remuneration Committee, shall define the company's main objectives and strategies, which executive management is expected to achieve, including performance indicators to measure goal attainment.</p> <p>2. These objectives and indicators shall be tailored to each executive position in the company based on job level, missions, responsibilities, qualifications, experience and skills.</p> <p>3. The estimated budget for remuneration in general shall be determined based on the company's expected performance, outcomes and risk level, while also considering peer company practices in determination of remunerations.</p>	<p>Article Eight: Executive Management Remuneration</p> <p>1. At the beginning of each fiscal year, the Board of Directors, in coordination with the Nomination and Remuneration Committee, shall define the company's main objectives and strategies, which executive management is expected to achieve, including performance indicators to measure goal attainment.</p> <p>2. These objectives and indicators shall be tailored to each executive position in the company based on job level, missions, responsibilities, qualifications, experience and skills.</p> <p>3. The estimated budget for remuneration in general shall be determined based on the company's expected performance, outcomes and risk level, while also considering peer company practices in determination of remunerations.</p>

<p>4. The Board of Directors shall continuously monitor performance against these objectives during the fiscal year and revise them as necessary.</p> <p>5. At the end of the fiscal year, the Nomination and Remuneration Committee shall evaluate performance and recommend remuneration to the Board for approval.</p>	<p>4. The Board of Directors shall continuously monitor performance against these objectives during the fiscal year and revise them as necessary.</p> <p>5. At the end of the fiscal year, the Nomination and Remuneration Committee shall evaluate performance and recommend remuneration to the Board for approval.</p>
<p>Article Ten: Regulation of Granting Shares in the Company</p> <p>If the purpose of the company's purchase of its own shares is to allocate them to its employees under an employee stock allocation program, then in addition to complying with other regulations related to the share buyback, the company must also meet the following conditions:</p> <p>1. The company's articles of incorporation must permit such an arrangement.</p> <p>2. Obtaining the approval of the Extraordinary General Assembly for the employee stock allocation program. The Assembly may authorize the Board of Directors to determine</p>	<p>Article Nine: Regulation of Granting Shares in the Company</p> <p>If the purpose of the company's purchase of its own shares is to allocate them to its employees under an employee stock allocation program, then in addition to complying with other regulations related to the share buyback, the company must also meet the following conditions:</p> <p>1. The company's articles of incorporation must permit such an arrangement.</p> <p>2. Obtaining the approval of the Extraordinary General Assembly for the employee stock allocation program. The Assembly may authorize the Board of Directors to determine the terms of this program, including the</p>

<p>the terms of this program, including the allocation price for each share offered to employees, if offered for consideration.</p> <p>3. Non-executive board members may not participate in the employee stock allocation program, and executive members may not vote on any board resolutions related to the program.</p>	<p>allocation price for each share offered to employees, if offered for consideration.</p> <p>3. Non-executive board members may not participate in the employee stock allocation program, and executive members may not vote on any board resolutions related to the program.</p>
<p>Article Eleven: Suspension or Recovery of Remuneration</p> <p>1. If the Audit Committee, the Authority, the Board of Directors, or the Nomination and Remuneration Committee determines that any remuneration paid to board members or executive management was based on inaccurate or misleading information presented to the General Assembly or included in the Board's annual report, the recipient must return the remuneration to the company, which may pursue recovery.</p> <p>2. If the General Assembly terminates the membership of a board member due to unexcused absence from three consecutive board meetings, the member forfeits any remuneration for the period following the last meeting attended and must return all remuneration paid for that period.</p>	<p>Article Ten: Suspension or Recovery of Remuneration</p> <p>1. If the Audit Committee, the Authority, the Board of Directors, or the Nomination and Remuneration Committee determines that any remuneration paid to board members or executive management was based on inaccurate or misleading information presented to the General Assembly or included in the Board's annual report, the recipient must return the remuneration to the company, which may pursue recovery.</p> <p>2. If the General Assembly terminates the membership of a board member due to unexcused absence from three consecutive board meetings, the member forfeits any remuneration for the period following the last meeting attended and must return all remuneration paid for that period.</p>

<p>3. If a board member or committee member resigns, their remuneration shall be calculated proportionally based on their period of service.</p> <p>4. If a board or committee member is appointed during the fiscal year, their remuneration shall be calculated proportionally from the date of appointment until the year-end.</p> <p>5. If an executive manager resigns, they are not entitled to the annual remuneration payable after the effective resignation date.</p> <p>6. If an executive manager is appointed during the fiscal year, remuneration shall be calculated proportionally from the appointment date to the year-end, provided the service period is not less than three months.</p>	<p>3. If a board member or committee member resigns, their remuneration shall be calculated proportionally based on their period of service.</p> <p>4. If a board or committee member is appointed during the fiscal year, their remuneration shall be calculated proportionally from the date of appointment until the year-end.</p> <p>5. If an executive manager resigns, they are not entitled to the annual remuneration payable after the effective resignation date.</p> <p>6. If an executive manager is appointed during the fiscal year, remuneration shall be calculated proportionally from the appointment date to the year-end, provided the service period is not less than three months.</p>
<p>Article Twelve: Approval and Implementation</p> <p>1. This policy shall take effect from the date of its approval by the General Assembly. It shall be communicated to relevant</p>	<p>Article Eleven: Approval and Implementation</p> <p>1. This policy shall take effect from the date of its approval by the General Assembly. It shall be communicated to relevant parties, and the Board</p>

<p>parties, and the Board shall review the policy as necessary upon recommendation from the Nomination and Remuneration Committee. Amendments require General Assembly approval.</p> <p>2. This policy shall be published on the company's website or through other channels deemed appropriate by the Board to ensure accessibility to all stakeholders.</p>	<p>shall review the policy as necessary upon recommendation from the Nomination and Remuneration Committee. Amendments require General Assembly approval.</p> <p>2. This policy shall be published on the company's website or through other channels deemed appropriate by the Board to ensure accessibility to all stakeholders.</p>
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Proposed amendments the policies, standards and procedures for membership in the Board of Directors.

Before Amendment	After Amendment
<p>Article One: Definitions</p> <p>The terms and expressions used in these Regulations shall have the meanings indicated in the definitions below, unless the context requires otherwise:</p> <p>1- Companies Law: The Companies Law issued by Royal Decree No. (M/3) dated 28/01/1437 AH.</p> <p>2- Capital Market Law: The Capital Market Law issued by Royal Decree No. (M/30) dated 02/06/1424 AH.</p> <p>3- Authority: The Capital Market Authority (CMA).</p> <p>4- Market: The Saudi Stock Exchange Company (Tadawul) or the Saudi Capital Market, as the context requires.</p> <p>5- Listing Rules: The Listing Rules approved by the Board of the Capital Market Authority.</p> <p>6-</p> <p>7- Company: Fawaz Abdulaziz Alhokair & Co.</p>	<p>Article One: Definitions</p> <p>The terms and expressions used in these Regulations shall have the meanings indicated in the definitions below, unless the context requires otherwise:</p> <p>1- Companies Law: The Saudi Companies Law issued by Royal Decree No. M/132 dated 01/12/1443 AH (corresponding to 30/06/2022 AD).</p> <p>2- Capital Market: The Capital Market Law issued by Royal Decree No. (M/30) dated 02/06/1424 AH.</p> <p>3- Authority: The Capital Market Authority (CMA).</p> <p>4- Market: The Saudi Stock Exchange Company (Tadawul) or the Saudi Capital Market, as the context requires.</p> <p>5- Company: Fawaz Abdulaziz Alhokair & Co.</p> <p>6- Corporate Governance Regulations: The Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. 8-16-2017 dated 16/05/1438 AH (corresponding to 13/02/2017 AD) based on the Companies Law</p>

<p>8- Corporate Governance Regulations: The Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-16-2017) dated 16/05/1438 AH (corresponding to 13/02/2017 AD) based on the Companies Law issued by Royal Decree No. (M/3) dated 28/01/1437 AH, and as amended by the CMA Board Resolution No. (3-57-2019) dated 15/09/1440 AH (corresponding to 20/05/2019 AD).</p> <p>9- Board of Directors: The Company's Board of Directors.</p> <p>10- Shareholders: The Company's Shareholders.</p> <p>11- Related Parties:</p> <ol style="list-style-type: none"> 1. Major shareholders in the company. 2. Members of the Company's Board of Directors or of any of its subsidiaries, and their relatives. 3. Senior executives of the company or any of its subsidiaries, and their relatives. 4. Board members and senior executives at major shareholders of the company. 5. Non-corporate entities owned by a board member, a senior executive, or their relatives. 6. Companies in which any board member, senior executive, or their relatives is a partner. 7. Companies in which any board member, senior executive, or their relatives is a board member or among senior executives. 	<p>issued by Royal Decree No. M/3 dated 28/01/1437 AH, and as amended by the CMA Board Resolution No. 8-5-2023 dated 25/06/1444 AH (corresponding to 18/01/2023 AD) based on the Companies Law issued by Royal Decree No. M/132 dated 01/12/1443 AH.</p> <p>7- Board of Directors: The Company's Board of Directors.</p> <p>8- Shareholders: The Company's Shareholders.</p> <p>9- Related Parties:</p> <ol style="list-style-type: none"> a. The company's affiliates, excluding the companies wholly owned by the company. b. Major shareholders in the company. c. Members of the Company's Board of Directors and senior executives. d. Members of the boards of directors of the company's affiliates. e. Members of the boards of directors and senior executives of the company's major shareholders. f. Any relatives of the persons referred to in items (1, 2, 3, or 5) above. g. Any other company or entity controlled by any of the persons referred to in items (1, 2, 3, 5, or 6) above. <p>For the purpose of item (6) in this definition, "relatives" refer to father, mother, spouse, and children.</p>
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8. Joint-stock companies in which any board member, senior executive, or their relatives owns (5%) or more, taking into account paragraph (4) of this definition.

9. Companies influenced by any board member, senior executive, or their relatives, even if only through advice or guidance.

10. Any person whose advice or guidance affects the decisions of the company, its board members, or senior executives.

11. The Company's holding or subsidiary companies.

Note: Professional advice or guidance given by a licensed person shall be excluded from paragraphs (9) and (10) of this definition.

12- **General Assembly:** An assembly formed of the Company's Shareholders in accordance with the provisions of the Companies Law and the Company's Articles of Incorporation.

13- **Remuneration:** Amounts, allowances, profits and their equivalent, including performance-linked periodic or annual remunerations, short- or long-term incentive plans, and any other in-kind benefits, excluding actual and reasonable expenses borne by the company for a board member to perform their duties.

14- **Cumulative Voting:** A voting method for electing board members that grants each shareholder a number of votes equal to the number of shares they hold, which may be cast for a single candidate or divided among several candidates without repetition.

10- **General Assembly:** An assembly formed of the Company's Shareholders in accordance with the provisions of the Companies Law and the Company's Articles of Incorporation.

11- **Remuneration:** Amounts, allowances, profits and their equivalent, including performance-linked periodic or annual remuneration, short- or long-term incentive plans, and any other in-kind benefits, excluding actual and reasonable expenses borne by the company for a board member to perform their duties.

12- **Policy:** The policies, standards, and procedures of membership in the Board of Directors.

13- **Cumulative Voting:** A voting method for electing board members that grants each shareholder a number of votes equal to the number of shares they hold, which may be cast for a single candidate or divided among several candidates without repetition.

14- **Independent Member:** A non-executive board member who enjoys full independence in both position and decisions, and to whom none of the independence impairments set out in Article Nine of the Corporate Governance Regulations issued by the Capital Market Authority shall apply.

15- **Executive Member:** A board member who is fully dedicated to the company's executive management and is involved in its daily operations.

	<p>16- Non-Executive Member: A board member who is not dedicated to the company management and does not participate in its daily operations.</p>
<p>Article Two: Preamble</p> <p>This policy outlines the standards and procedures of membership in the Board of Directors. The provisions herein shall be applied in alignment with the Company's Memorandum of Association and Articles of Incorporation, and relevant governing laws and regulations applicable to the company's operations, without prejudice to the provisions of the Companies Law, the Capital Market Law, the Corporate Governance Regulations, the regulatory controls for listed joint-stock companies, the glossary of terms used in market rules, and other applicable regulations.</p>	<p>Article Two: Preamble</p> <p>This policy outlines the standards and procedures of membership in the Board of Directors. The provisions herein shall be applied in alignment with the Company's Articles of Incorporation and the relevant governing laws and regulations applicable to the company's operations, without prejudice to the provisions of the Companies Law, the Capital Market Law, the Corporate Governance Regulations, the Executive Regulations of the Companies Law for listed joint-stock companies, and other applicable regulations.</p>
<p>Article Four: General Policy</p> <p>The general policy for membership in the company's Board of Directors includes the terms and conditions under which candidates for board membership are selected through comparison and evaluation, in accordance with paragraph (3) of Article Twenty Two of the Corporate Governance Regulations, the provisions of the Companies Law, the Company's Articles of Incorporation, and the Listing Rules issued by the Capital Market Authority's Board.</p>	<p>Article Four: General Policy</p> <p>The general policy for membership in the company's Board of Directors includes the terms and conditions under which candidates for board membership are selected through voting at the Company's General Assembly, in accordance with the provisions of the Companies Law, the Company's Articles of Incorporation, and the Corporate Governance Regulations issued by the Capital Market Authority.</p>
<p>Article Five: Board Membership Requirements</p>	<p>Article Five: Board Membership Requirements</p>

The Board is responsible for reviewing the requirements for board membership as well as the overall board composition. This includes assessing the qualifications, experience, and skills of members. A board member must, in particular, meet the following criteria:

1- **Experience:** Must possess adequate experience in the following areas:

Financial accounting and corporate finance, particularly in debt and equity market trends, and an understanding of internal financial controls.

Risk assessment and monitoring in sectors and environments relevant to the company's operations.

Corporate management and understanding the general directions of the management, particularly in the fields in which the company operates.

a- Experience in fields relevant to the company's operations.

b- Experience in global markets, and knowledge of international business norms and practices.

2- **Educational Qualifications:** It is preferable for a board member to hold a qualification related to the following specializations:

Law.

Finance, including accounting background.

A Board Member must be professionally competent, possessing the experience, knowledge, skills, and independence necessary to effectively carry out their duties. The General Assembly shall, when electing board members, take into account the recommendations of the Nomination and Remuneration Committee and ensure the availability of the necessary personal and professional qualifications to perform their duties effectively. In particular, the member should possess the following:

1. The candidate for board membership must not been previously convicted of a crime involving dishonesty or breach of trust, nor be insolvent or bankrupt, or otherwise disqualified from board membership according to any applicable laws or regulations in the Kingdom.

2. That he shall not be a member of the board of directors of more than five listed joint-stock companies simultaneously.

3. The board member shall represent all shareholders and comply with acting in the best interest of the company as a whole, rather than serving the interests of the group he represents or that voted for his appointment to the board.

4- Ensure that independent members make up at least one-third of the Board members.

<p>Marketing. Operational activities related to activities of companies. The core business areas in which companies operate, including real estate expertise. Corporate governance. Human resources. Risk management. Banking Operations.</p> <p>3- Knowledge and Capability: Possesses a sound understanding of financial statements and reports, accounting regulations and standards, and the ability to read and interpret balance sheets, income statements, and cash flow statements, as well as interpret the implications of financial ratios and other indicators to assess the company's performance.</p> <p>4- Independence: Able to provide objective opinions, avoid transactions that contain conflicts of interest, ensure fairness in dealings, and adhere to the provisions related to conflicts of interest in accordance with the regulations of the Capital Market Authority in this regard.</p> <p>5- Crisis Management: The ability to respond and work within a short timeframe during both short-term and long-term crises.</p> <p>6- Integrity and Honesty: Must not have been convicted of a crime involving dishonesty and breach of trust.</p>	<p>5- An independent member must enjoy full independence in his position and decisions, and none of the independence impairments stipulated in Article (19) of the Corporate Governance Regulations shall apply to him.</p> <p>6- Leadership Ability: This means that he should possess leadership skills that qualify him to delegate authority in a way that motivates performance, implements best practices in effective management, and adheres to professional values and ethics.</p> <p>7- Competence: Possess appropriate academic qualifications, professional and personal skills, training, and practical experience relevant to the company's current and future activities, or in management, economics, accounting, law, or governance; and demonstrate a willingness to learn and train.</p> <p>8- Guidance Capability: Possess technical, leading and managerial capabilities, be quick in decision-making, understand technical requirements related to the work progress, and the ability to provide strategic direction with a clear future planning and vision.</p> <p>9- Financial Knowledge: Be capable of reading and understanding financial statements and reports.</p> <p>10- Physical Fitness: Not suffering from any health condition that may impede him from the performance of duties and specialties.</p>
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<p>7- That no decision has been issued against them by the Capital Market Authority.</p> <p>8- Non-Competition: Must not be engaged in any activity that competes with the company or any of its business branches unless approved by the General Assembly, in accordance with the competent authority's regulations and in line with Article (72) of the Companies Law and Articles Forty Six and Forty Seven of the Corporate Governance Regulations.</p> <p>9- No Conflict of Interest: Must not have any conflict of interest with the company or any direct or indirect interest in the business or contracts made for the company's account in accordance with Article (71) of Companies Law, except with authorization from the Ordinary General Assembly in accordance with the regulations set by the competent authority.</p> <p>10- Board membership of another company: That he shall not be a member of the board of directors of more than five listed joint-stock companies simultaneously.</p> <p>11- Commitment to Membership Terms and Conditions: Fully comply with the provisions of Companies Law, Capital Market Law, their Executive Regulations, and other related laws and the Company's Articles of Incorporation when performing board duties, and must not engage in any conduct that constitutes mismanagement of the company affairs.</p>	<p>11- Have experience in fields related to the company's business.</p> <p>12- Have experience in global markets and familiarity with international business norms and practices.</p> <p>13- Exercising duties within the prescribed authorities: A member of the Board of Directors must perform his duties and exercise his powers in managing and directing the company's affairs within the limits of the authorities granted to him, in accordance with the provisions of the Companies Law and its executive regulations, the company's Articles of Incorporation, and other relevant regulations, all aimed at achieving the purposes for which those authorities were granted.</p> <p>14- Acting in the best interest of the company and enhancing its success: A member of the Board of Directors must commit to the following:</p> <p>a. Act in good faith to serve the interests of the company and all shareholders, without prioritizing his personal interests before the interests of the company and its shareholders, while taking into account the rights of other stakeholders.</p> <p>b. Ensuring to exert every effort that would enhance the company's success and growth, and maximize its value for the benefit of its shareholders in the long term.</p>
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12- **Diversity:** Ensure diversity in academic qualifications and professional experience when selecting members, as such diversity enriches the board with the talents, skills, and expertise required to support current resources and address future needs.

13- **Personal Interview:** Agree to conduct a personal interview with the Company's Nomination and Remuneration Committee.

15- **Decision-making or voting independently:** A member of the Board of Directors must perform his duties objectively and independently with regard to the company management and decision-making, and must avoid situations that could affect his independence in making decisions or voting on them.

16- **Exercising reasonable and expected care, diligence, attention, and skill:** A member of the Board of Directors must perform his duties and responsibilities in accordance with the Companies Law, the Capital Market Law and their executive regulations, the company's Articles of Incorporation, and other relevant regulations. He must exercise the care and diligence expected of a prudent person, taking into account the general knowledge, skills, and experience possessed by the board member himself, as well as those expected from individuals performing the same functions.

17- **Avoid Conflicts of Interest:** A member of the Board of Directors must avoid transactions and situations where he has, or may potentially have, a direct or indirect interest that conflicts or may conflict with the company's interest. He must also comply with the provisions related to conflicts of interest as stipulated in the Companies Law and its executive regulations.

18- **Disclosure of any direct or indirect interest in the company's transactions and contracts:** A member of the Board of Directors must disclose any direct or indirect interest he has in the company's transactions and contracts as soon as he becomes aware of it. He

	<p>must comply with the disclosure requirements related to such interests as set forth in the Companies Law and its executive regulations.</p> <p>19- Prohibition of accepting any benefit granted to him by others in relation to his role in the company: A Board member must not exploit his position, duties, or powers as a member of the Board in whatsoever case, to obtain benefits from others, nor accept any benefit granted to him by others in exchange for performing or refraining from performing a specific act.</p> <p>20- Commitment to membership terms and conditions: Full compliance with the provisions of the Companies Law, the Capital Market Law, their executive regulations, relevant regulations, and the Company's Articles of Incorporation when performing his membership duties on the Board. He must refrain from engaging in or participating in any conduct that constitutes a mismanagement of the company's affairs.</p>
<p>Article Six: Required Traits of a Board Member</p> <p>Given the important role a board member plays in the company management, certain personal attributes—alongside the formal membership requirements—are necessary to enable them to fully carry out their duties toward the company. In accordance with Article 29 of the Corporate Governance Regulations, the following key traits must be present in a board member:</p>	<p>Delete the Article</p>

1- **Integrity and Responsibility:** High ethical standards, integrity, and strength of character in both professional and personal dealings; the ability to discuss matters with precision and depth; the skill to ask insightful questions and express reservations; abstaining from voting in favor of decisions they disagree with; exhibiting intelligence, wisdom, and thoughtfulness in decision-making; and readiness to bear accountability for such decisions.

2- **Trustworthiness:** Demonstrating reliability, responsibility, and supportiveness in interactions with others; showing respect; and being open and receptive to the opinions of others with a genuine willingness to listen.

3- **Leadership:** Possessing leadership skills and essential competencies, supported by a strong performance record typically seen in highly motivated and talented individuals.

4- **Commitment to his duties as a member of the Board:** Complete readiness and willingness to fulfill the requirements of membership in the Board committees efficiently, including attending and participating in all Board of Directors meetings and committee meetings of which the member is a part; maintaining a constant readiness to assist in preparing for each meeting and actively participating in it; showing willingness to attend the management meetings upon request to provide advice and consultation; bearing all responsibilities related to the company's affairs; and disclosing any material information before executing any transaction or contract with the company or any of its subsidiaries.

<p>5- Desire for learning and knowledge: A strong desire for learning and development, particularly concerning important matters that affect the company (including operations, technology, and market information), as well as the roles and responsibilities of Board members (including the general legal principles applicable to Board members)</p>	
<p>Article Seven: Procedures for Board Membership</p> <p>After the Board of Directors approves the opening of the nomination period for Board membership and approves the nomination submission period and the agenda of the General Assembly, for voting on the appointment of Board members whenever rules or circumstances require it, the following procedures shall apply:</p> <p>1- An announcement of the opening of board nominations must be published on the company's website, the Market website, and any other channel specified by the Authority. The nomination window must remain open for at least one month from the announcement date.</p> <p>2- Shareholders wishing to nominate themselves for membership of the Company's Board of Directors or to nominate another person, shall do the following:</p> <p>a. Submit an application (notification) to the company management expressing their desire to nominate.</p> <p>b. Fill out Form No. (3) issued by the Capital Market Authority, which can be obtained from the Authority's website, along with any other forms</p>	<p>Article Six: Procedures for Board Membership</p> <p>1- The Nomination and Remuneration Committee shall coordinate with the company's executive management to announce the opening of nominations for membership in the Company's Board of Directors at least ninety (90) days before the end of the current board term, in accordance with applicable laws and regulations.</p> <p>2- The announcement of the opening of board nominations shall be published on the company's website, the Market website, and any other channel specified by the Authority. The nomination window must remain open for at least one month from the announcement date.</p> <p>3- Every shareholder shall have the right to nominate themselves or one or more persons for board membership, within the limits of their ownership percentage in the company's capital.</p> <p>4- Shareholders wishing to nominate themselves or others for board membership must:</p>

specified by the Capital Market Authority for this purpose, also available through the Authority's website.

c. Candidates must submit their applications to the company through the available communication channels announced by the company via its website, the Market website, and other official communication channels designated by the company, with the requirement to attach copies of their qualifications and experience relevant to the company's business.

3- Candidates must submit their applications along with the following documents:

- a. A separate record of significant and major achievements accomplished by the candidate in board memberships previously held or in senior executive and administrative positions held over the past ten years and current work.
- b. A statement of the boards of directors of companies the candidate has been a member of and their respective tenures, accompanied by a certified letter from each company indicating the membership period, the number of meetings held in each term, the member's attendance rate at those meetings, the committees arising from the board in which the member participated, their attendance rates, and a summary of the financial results achieved by the companies during each year of the tenure.
- c. A statement of joint-stock companies in which the candidate still holds membership.

a. Submit a nomination application (notification) to the company management. This application must include a bilingual (Arabic and English) profile of the candidate, including their CV, qualifications, and professional experience.

b. Complete the required forms issued by the Capital Market Authority in both Arabic and English, which are available on the Authority's website.

c. Provide a copy of the national ID card/family card (if available), commercial registration for companies or institutions, and the candidate's contact information.

d. A separate record of significant and major achievements accomplished by the candidate in board memberships previously held or in senior executive and administrative positions held over the past ten years and current work.

e. A statement of the boards of directors of companies the candidate has been a member of and their respective tenures, accompanied by a certified letter from each company indicating the membership period, the number of meetings held in each term, the member's attendance rate at those meetings, the committees arising from the board in which the member participated, their attendance rates, and a summary of the financial results achieved by the companies during each year of the tenure.

<p>d. A statement of companies in which the candidate participates in management or ownership and that conduct activities similar to the company's business.</p> <p>e. A copy of the national ID card/family card (if available), the commercial registration of companies and institutions, the candidate's contact information, and three personal passport-sized photos.</p> <p>4- The candidate must provide an accredited Arabic translation of any documents or papers written in a foreign language.</p> <p>5- The Nomination and Remuneration Committee shall review the applications of candidates qualified for membership, indicating the number of applicants, those preliminarily selected for personal interviews, justifications for recommending the qualified members for membership, and submit these recommendations to the board of directors.</p> <p>6- An ordinary general assembly meeting shall be convened to vote on appointing the vacant board members in accordance with the recommendations of the board of directors and the Nomination and Remuneration Committee, after obtaining the necessary approvals from relevant authorities.</p> <p>7- The form related to the membership of boards of directors of listed companies shall be submitted to the Capital Market Authority after completing the above-mentioned procedures.</p>	<p>f. A statement of joint-stock companies in which the candidate still holds membership.</p> <p>g. A statement of companies in which the candidate participates in management or ownership and that conduct activities similar to the company's business.</p> <p>h. The candidate must provide an accredited Arabic translation of any documents or papers written in a foreign language.</p> <p>i. The candidate must submit his application to the company through the available communication channels announced by the company on its website, the Market website, and other official communication channels designated by the company.</p> <p>5- The candidate must disclose to the board and the general assembly any conflict of interest, including:</p> <p>a- Having a direct or indirect interest in the businesses and contracts conducted on behalf of the company for which he seeks nomination to the Board of Directors.</p> <p>b- Participation in any activity that competes with the company or competes with it in any of its lines of business.</p> <p>6- The candidate must specify his board membership category—whether executive, non-executive, or independent.</p>
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	<p>7- The membership nature must be clarified, i.e., whether the member is nominated in his capacity as a shareholder or nominated by a shareholder, mentioning the name of that shareholder.</p> <p>8- The number of candidates for the Board of Directors presented to the General Assembly must exceed the number of available seats so that the General Assembly has the opportunity to choose among the candidates.</p> <p>9- The Nomination Committee shall review the applications and submit its recommendations to the Board regarding the nomination for membership in the Board in accordance with the standards outlined in this policy.</p> <p>10- Convening an ordinary General Assembly meeting to vote on the selection of Board members from among the candidates.</p>
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Proposed amendments to the standards and criteria governing the licensing of a board member to engage in activities that compete with the company's business	
Before amendment	After amendment
<p><u>Article One: Definitions</u></p> <p>1- Companies Law: The Companies Law issued by Royal Decree No. (M/3) dated 28/1/1437 AH.</p> <p>2- Corporate Governance Regulations: The Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-16-2017) dated 16/5/1438 AH corresponding to 13/2/2017 AD, based on the Companies Law issued by Royal Decree No. (M/3) dated 28/1/1437 AH, as amended by the Capital Market Authority Board Resolution No. 3-57-2019 dated 1/6/1442 AH corresponding to 14/1/2021 AD.</p> <p>3- Company: Fawaz Abdulaziz Alhokair & Co.</p> <p>4- Board of Directors: The Board of Directors of the Company.</p> <p>5- Shareholders: The Company's shareholders.</p>	<p><u>Article One: Definitions</u></p> <p>1- Companies Law: The Saudi Companies Law issued by Royal Decree No. M/132 dated 1/12/1443 AH (corresponding to 30/6/2022 AD).</p> <p>2- Corporate Governance Regulations: The Corporate Governance Regulations issued by the Capital Market Authority Board pursuant to Resolution No. 8-16-2017 dated 16/5/1438 AH (corresponding to 13/2/2017 AD), based on the Companies Law issued by Royal Decree No. M/3 dated 28/1/1437 AH, and amended by Capital Market Authority Board Resolution No. 8-5-2023 dated 25/6/1444 AH (corresponding to 18/1/2023 AD), based on the Companies Law issued by Royal Decree No. M/132 dated 1/12/1443 AH.</p> <p>3- Company: Fawaz Abdulaziz Alhokair & Co.</p> <p>4- Board of Directors: The Board of Directors of the Company.</p> <p>5- Shareholders: The Company's shareholders.</p>

<p>6- General Assembly: An assembly formed from the Company's shareholders according to the provisions of the Companies Law and the Company's Articles of Incorporation.</p> <p>7- Person: Any natural or legal person recognized by the laws of the Kingdom as having such status.</p> <p>8- Stakeholders: Any party who has an interest in the Company, such as employees, creditors, clients, suppliers, and the community.</p> <p>9- Related Parties:</p> <ul style="list-style-type: none"> a) Major shareholders in the Company. b) Members of the Board of Directors of the Company or any of its subsidiaries and their relatives. c) Senior executives of the Company or any of its subsidiaries and their relatives. d) Members of the Board of Directors and senior executives at the major shareholders of the Company. e) Entities other than companies owned by a Board member, senior executive, or their relatives. f) Companies in which any Board member, senior executive, or their relatives are partners. g) Companies in which any Board member, senior executive, or their relatives are members of the Board of Directors or senior executives. 	<p>6- General Assembly: An assembly formed from the Company's shareholders according to the provisions of the Companies Law and the Company's Articles of Incorporation.</p> <p>7- Person: Any natural or legal person recognized by the laws of the Kingdom as having such status.</p> <p>8- Stakeholders: Any party who has an interest in the Company, such as employees, creditors, clients, suppliers, and the community.</p> <p>9- Related Parties:</p> <ul style="list-style-type: none"> 1. The company's affiliates, excluding wholly-owned subsidiaries. 2. Major shareholders of the company. 3. Members of the company's Board of Directors and senior executives. 4. Members of the boards of directors of the company's affiliates. 5. Members of the boards of directors and senior executives of the company's major shareholders. 6. Any relatives of the persons mentioned in items (1, 2, 3, or 5) above. 7. Any company or entity controlled by any of the persons mentioned in items (1, 2, 3, 5, or 6) above.
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<p>h) Joint-stock companies in which any Board member, senior executive, or their relatives own (5%) or more, taking into account paragraph (d) of this definition.</p> <p>i) Companies in which any Board member, senior executive, or their relatives have influence over decisions, even if only by advice or guidance.</p> <p>j) Any person whose advice or guidance influences decisions of the Company, its Board members, and senior executives.</p> <p>k) Holding or subsidiary companies of the Company. Exception: Paragraphs (i) and (j) exclude advice and guidance given professionally by a licensed person.</p> <p>10- Affiliate: A person who controls another person, is controlled by another person, or is jointly controlled by a third party, directly or indirectly.</p> <p>11- Controlling Interest: The ability to influence the acts or decisions of another person, directly or indirectly, alone or together with a relative or affiliate, through: (a) Ownership of 30% or more of voting rights in a company. (b) The right to appoint 30% or more of the members of the management body.</p> <p>12- Policy: Standards for competition of Board members.</p>	<p>For the purposes of paragraph (6), of this definition, relatives shall mean father, mother, husband, wife and children.</p> <p>10- Affiliate: A person that controls, is controlled by, or is under common control with another person, whether directly or indirectly.</p> <p>11- Controlling Interest: The ability to influence the actions or decisions of another person, whether directly or indirectly, individually or together with a relative or affiliate, through: (a) Ownership of 30% or more of the voting rights in a company. (b) The right to appoint 30% or more of the administrative body members.</p> <p>12- Policy: The standards governing Board members' competition with the company.</p>
<p><u>Article Six: Competing Activities</u></p>	<p><u>Article Six: Competing Activities</u></p>

<p>Competing activities are those that have the same nature as the Company's business and engage in similar activities. Any current or potential member of the Board of Directors must disclose any activity they practice that is similar to the Company's business. These activities include the following:</p> <ol style="list-style-type: none"> 1- Purchasing lands and constructing buildings on them to conduct the Company's activities and businesses. 2- Wholesale and retail trade in ready-made clothing, men's, women's and children's footwear, fabrics, home and office furniture, perfumes and natural cosmetics, beauty and makeup tools and products, traditional jewelry and accessories, leather bags and purses. 3- Commercial agencies. 4- Managing and operating optical centers and wholesale and retail trade in medical and sunglasses, lenses, optical devices, and their accessories. 5- Wholesale and retail trade in sports clothing, sports shoes, and their equipment. 6- Manufacturing, wholesale, and retail trade in abayas, jalabiyas, scarves, and all forms of embroidered women's clothing. 	<p>Competing activities are those that have the same nature as the company's business and involve similar operations. Any current or prospective member of the Board of Directors must disclose any activity they engage in that is similar to any of the activities stipulated in the Company's Articles of Incorporation. Such activities include, but are not limited to:</p> <ol style="list-style-type: none"> 1- Wholesale and retail trade in all types of ready-made clothing and footwear for men, women and children; fabrics; household and office furniture; perfumes; beauty and cosmetic products and accessories; traditional jewelry and accessories; bags and handbags. 2- Wholesale and retail trade in food and beverages. 3- Wholesale and retail trade in electronics and related accessories.
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<p>7- Wholesale and retail trade in gold, silver, jewelry, precious stones, diamonds, gold works, ornaments, and precious metals.</p> <p>8- Wholesale and retail trade in communication devices and their accessories, spare parts, maintenance, and operation through commercial agencies.</p> <p>9- Retail trade in preserved ready-made foods.</p> <p>10- Owning, operating, and managing restaurants and cafes, importing products and food materials, and purchasing necessary devices and equipment.</p> <p>11- Owning, operating, and managing entertainment centers and facilities, and purchasing the necessary devices and equipment.</p> <p>12- Wholesale and retail trade in watches, computers, electronic devices, stationery, decorations, lighting devices, and flooring.</p> <p>13- Organizing exhibitions, conferences, and bazaars.</p> <p>14- Online sales of all the activities and products of the Company mentioned above.</p>	
<p><u>Article Eight: Procedures for Disclosure by a Board Member Wishing to Participate in a Competing Business</u></p>	<p><u>Article Eight: Procedures for Disclosure by a Board Member Wishing to Participate in a Competing Business</u></p>

<p>Subject to the provisions of Article 72 of the Companies Law and Article 46 of the Corporate Governance Regulations, if a Board member wishes to engage in any business that competes with the Company, or competes in any of the branches of activity the Company practices, the following must be observed:</p> <p>1- The member must notify the Board of Directors of the competing business they intend to practice, and this notification must be recorded in the minutes of the Board meeting.</p> <p>2- The interested member shall not participate in voting on any decision issued by the Board or the General Assembly regarding this matter.</p> <p>3- The Chairman of the Board shall inform the Ordinary General Assembly, upon its convening, of the competing activities practiced by the Board member, after the Board verifies that the member competes with the Company's business or competes in one of its activity branches according to these standards. This verification shall be conducted annually.</p> <p>4- A license must be obtained from the Company's Ordinary General Assembly allowing the member to practice the competing business.</p> <p>5- If the General Assembly refuses to renew the license granted under Article 72 of the Companies Law and Article 46 of the</p>	<p>1. If a member of the Board of Directors or any of its committees wishes to engage in an activity that would compete with the company or with one of its business branches, they must notify the Board of Directors of such competing activities they intend to undertake.</p> <p>2- The Board of Directors, upon being notified of the competing activities a member wishes to undertake, must observe the following:</p> <p>a. The Board shall record this notification in the minutes of the Board meeting.</p> <p>b. Exclude the interested member from voting on the relevant decision at the level of the Board, its committees, and the shareholders' general assemblies.</p> <p>c. The Board of Directors shall notify the Ordinary General Assembly at its next meeting of the competing activities undertaken by the Board member or committee member, after verifying that the member is in fact engaging in activities that compete with the company or one of its business segments.</p> <p>d. Obtain a license from the Company's Ordinary General Assembly permitting the member to engage in such competing activities.</p> <p>3- The Ordinary General Assembly may delegate to the Board of Directors the authority to license a member to engage in the competing activities referred to in Paragraph 2 of Article 27 of the Companies Law. The delegation resolution must specify the competing businesses and activities for which the Board may grant</p>
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<p>Corporate Governance Regulations, the Board member must submit their resignation within a deadline set by the General Assembly; otherwise, their membership on the Board shall be considered terminated. This applies unless the member decides to cease competing with the Company or regularizes their status in accordance with the Companies Law and its executive regulations before expiry of the deadline set by the General Assembly.</p>	<p>licenses, and the delegation shall be valid for a maximum period of one year from the date of approval by the Ordinary General Assembly or until the end of the term of the authorized Board, whichever comes first.</p> <p>4- Board members are prohibited from voting on resolutions related to granting or revoking such delegation at the General Assembly. A member of the Board of Directors is prohibited from voting on the resolution of the General Assembly or the delegated Board of Directors if he is engaged in an activity that competes with the company or with any of its lines of business.</p>
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Attachment of item 13 to item 18

- 1. Board of Directors declaration regarding related party transactions where members of the Board of Directors have direct or indirect interest in the related party,**
- 2. Limited assurance report by the External auditor**

LIMITED ASSURANCE REPORT

Shareholders of Fawaz Abdulaziz Al Hokair & Company
Riyadh, Kingdom of Saudi Arabia

Introduction

We have been engaged with Fawaz Abdulaziz Al Hokair & Company ("the Company") to carry out limited assurance procedures on the Declaration submitted by the Board of Directors of the Company regarding the direct and indirect interest of the Board members in the business and contracts that are made for the Company.

Scope

Carrying out limited assurance procedures on the declaration of related party transactions submitted by the Board of Directors on 2nd May 2025 ("the Declaration") that will be presented to the shareholders of the Company in the upcoming Ordinary General Assembly meeting in which the direct and indirect interest of the members of the Board of Directors and contracts that are made for the Company will be reported.

Responsibility of the Company's management

The management of the Company is responsible for preparing the Declaration in accordance with the provisions of Article No. (71) of the Companies Law in the Kingdom of Saudi Arabia and Article (21) of the Corporate Governance Regulations issued by the Capital Market Authority and submitting it to us with all the information and clarifications we have requested.

Professional Ethics and Quality Management

We have complied with the ethical and independence requirements in accordance with the Professional Code of Conduct and Ethics endorsed in the Kingdom of Saudi Arabia that are relevant to our engagement and we have fulfilled our other ethical responsibilities in accordance with its requirements.

Our firm applies International Standard on Quality Management 1 (ISQM 1), "Quality Management for Firms that Perform Audits or reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our responsibility

Our responsibility is to provide limited assurance on the Declaration to form an independent conclusion based on our limited assurance procedures performed. We conducted our engagement in accordance with the International Standard on Audit Engagements 3000 (Revised) "Assurance engagements other than audits or reviews of historical financial information" as endorsed in the Kingdom of Saudi Arabia. Our procedures were designed to obtain a limited level of assurance to form a conclusion and as such does not provide all the evidence that would be required to give a reasonable level of assurance.

Our report is only for the purpose stated above and for your information, and is not for use for any other purpose or for distribution to any other parties. This report relates only to the items specified above, and does not extend to the financial statements of the Company in its entirety.

LIMITED ASSURANCE REPORT TO SHAREHOLDERS OF FAWAZ ABDULAZIZ AL HOKAIR & COMPANY (Continued)

Summary of the procedures performed

Our procedures performed are summarized as follows:

- 1) Obtained the Board of Director's statement dated 28 May 2025 which includes all related parties' transactions from 1 January 2024 to 31 December 2024 (attached).
- 2) Compared the total amount of related parties' transactions for the year ended 31 December 2024 as shown in the attached Declaration, with the accounting records of the Company for the same fiscal year.
- 3) On sample basis, checked certain related parties' transactions with the supporting documents.
- 4) Obtained and agreed confirmations of related parties' balances as of 31 December 2024 with the accounting records of the Company.

Inherent limitations

Our procedures regarding systems and controls relating to the preparation of the Declaration in accordance with the requirements of Article 71 of the Regulations for Companies, are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Furthermore, such procedures may not be relied upon as evidence of the effectiveness of the systems and controls against fraudulent collusion, especially on the part of those holding positions of authority or trust.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000 (Revised) as endorsed in the Kingdom of Saudi Arabia. Consequently, the nature, timing and extent of the procedures outlined above for gathering sufficient appropriate evidence were deliberately limited relative to a reasonable assurance engagement, and therefore less assurance is obtained with a limited assurance engagement than for a reasonable assurance engagement.

Our procedures did not constitute either an audit or a review made in accordance with International Standards on Auditing or International Standards on Review Engagements as endorsed in the Kingdom of Saudi Arabia and accordingly we do not express an audit or a review opinion in relation to the adequacy of systems and controls.

This conclusion relates only to the Declaration for the period ended 31 December 2024 and should not be seen as providing assurance as to any future dates or periods, as changes to systems or controls may alter the validity of our conclusion.



**LIMITED ASSURANCE REPORT TO SHAREHOLDERS OF FAWAZ ABDULAZIZ AL
HOKAIR & COMPANY (Continued)**

Limited assurance conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that the Company has not complied, in all material respects, with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration of related party transactions for the period ended 31 December 2024.

Restriction of use

This report, including our conclusion, has been prepared solely upon the request of the management of the Company, to assist the Company and its Board of Directors in fulfilling their reporting obligations to the General Assembly in accordance with Article 71 of the Regulations for Companies. The report should not be used for any other purpose or be distributed to any other parties other than the Ministry of Commerce, Capital Market Authority and the shareholders of the Company.

BDO Dr. Mohamed Al Amri & Co.

Gihad Al-Amri
Certified Public Accountant
License No. 362



Riyadh, on 01 Dhu al-Hijja 1446 (H)
Corresponding to: 28 May, 2025 G

01/12/1446

28/05/2025

Subject: Board of Directors declaration regarding related party transactions where members of the Board of Directors have direct or indirect interest in the related party, with a brief description of those transactions.

Gentlemen/ General Assembly of Fawaz Abdulaziz AlHokair & Co. (Cenomi Retail)

During year ended 31 December 2024, Fawaz Abdulaziz AlHokair & Co. Cenomi Retail) 'the Company' and its subsidiaries ("the Group") carried out transactions with related parties in the ordinary course of business and these transactions are entered on terms and conditions approved by either the Company's management or its Board of Directors. These transactions include the transactions and contracts in which a Board member has an interest (whether directly or indirectly) and they are subject to ratification by shareholders in Annual General meeting.

With reference to the above, I hereby declare to the General Assembly, the following related party transactions where members of the Board of Directors have a direct or indirect interest are as follows:

1. Business dealings and contracts that took place between the Company and Arabian Centres Company in which the following Board members have an indirect interest in: Fawaz Bin Abdulaziz Al-Hokair, Abdul Majeed Bin Abdulaziz Al-Hokair, Abdulmajid Bin Abdullah Albasri. These dealings and contracts relate to real estate rental payments, in the amount of 310,281,422 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms).
2. Business dealings and contracts that took place between the Company and the Egyptian Centers for Real Estate Development Company in which the following Board members have an indirect interest in: Fawaz Bin Abdulaziz Al-Hokair, Abdul Majeed Bin Abdulaziz Al-Hokair. These dealings and contracts relate to real estate rental payments, in the amount of 1,115,972 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms).
3. Business dealings and contracts that took place between the Company and Hagen Ltd in which the following Board members have an indirect interest in: Fawaz Bin Abdulaziz Al-Hokair, Abdul Majeed Bin Abdulaziz Al-Hokair. These dealings and contracts relate to printing and advertising services, in the amount of 656,025 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms).
4. Business dealings and contracts that took place between the Company and Al Farida Commercial Agencies Company in which the following Board member have an indirect interest in: Abdul Majeed Bin Abdulaziz Al-Hokair. These dealings and contracts relate to services and payments, in the amount of 35,430,396 Saudi Riyals for the fiscal year ended

on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms).

5. Business dealings and contracts that took place between the Company and Support Human Resources Company in which the following Board members have an indirect interest in: Fawaz Bin Abdulaziz Al-Hokair, Abdul Majeed Bin Abdulaziz Al-Hokair. These dealings and contracts relate to Providing manpower services, in the amount of 22,890,728 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms).
6. Business dealings and contracts that took place between the Company and Cenomi Academy in which the following Board member have an indirect interest in: Ahmed Bin Saleh AlSultan. These dealings and contracts relate to training services, in the amount of 3,341,399 Saudi Riyals for the fiscal year ended on December 31, 2024. It should also be noted that these transactions are carried out on a commercial basis (there are no preferential terms).



