

Audit & Risk Committee Tasks:

The Committee shall perform the following tasks and duties:

1. Review the company financial and accounting policies and procedures.
2. Monitor and review the integrity of the Company financial statements and reports (annual, semi-annual and quarterly) and its control regulation as part of its normal operation during the year. It shall concentrate in particular on the following:
 - a. Any changes in accounting policies and practices.
 - b. Highlighting of the aspects subject to the management discretion.
 - c. Ensure that the Company annually updates its policies, procedures and control systems.
 - d. Substantive amendments resulting from the audit.
 - e. Assumption of business continuity.
 - f. Compliance with the accounting standards established by the Authority.
 - g. Compliance with listing and disclosure rules and other legal requirements related to financial reporting.
3. Coordinate with the Company Board, senior executive administration, the financial manager or the manager delegated with the same duties in the Company, in order to perform its duties.
4. Consider any significant and unusual terms contained or to be contained in such reports and accounts, and shall give due consideration to any matters raised by the Company Chief Financial Officer, the manager delegated with the same duties, the compliance officer or the auditor.
5. Raise recommendations to the Board regarding the selection, resignation or dismissal of the auditor. In case the Board does not approve the ARC recommendations in this regard, the Board shall attach to the governance report a statement explaining the ARC recommendations and the reasons why the Board has not followed them.
6. Develop and implement the policy of contracting with the auditor, and submit a report to the Board, outlining the issues that it deems necessary to be taken, along with providing recommendations for steps to be taken.
7. Ensure that the auditor meets the conditions stated in the applicable laws, regulations and decisions and in the company articles of association, along with following up and monitoring its independence.
8. Meet the auditor of the company without presence of any of the senior executive management personnel or its representatives, and discuss the same with regard to the nature and scope of the audit process and its effectiveness in accordance with the audited standards.
9. Approve any additional works made by an external auditor for the company and the fees received in consideration for that works.
10. Examine all matters related to the auditor work, his work plan, correspondence with the company, his observations, suggestions and reservations, and any substantial queries raised by the auditor to the senior executive management regarding the accounting records, financial accounts or control systems, in addition to following up the response of the company management and provision of the necessary facilities to do his work.
11. Ensure that the Board responds in a timely manner to the clarifications and substantive issues raised in the auditor letter.
12. Review and evaluate the company internal auditing and risk management systems.
13. Discuss the internal auditing system with the Board, and make sure it performs its duty with regard to establishing an effective internal control system.
14. Consider the results of the main investigations regarding the internal auditing matters assigned to it by the Board or at the initiative of the Committee and the approval of the Board.
15. Review the auditor evaluation of the internal control procedures and ensure that there is coordination between the internal and external auditors.

16. Ensure of the availability of necessary resources for the internal auditing department, review and monitor the effectiveness of such department.
17. Examine internal auditing reports and follow up implementation of corrective actions of the observations contained therein.
18. Establish controls that enable the Company employees to report confidentially on any potential violations in the financial reports, internal auditing or other matters, and the steps to ensure making an independent and fair investigation of such violations.
19. Monitor the company compliance with the rules of professional conduct.
20. Review related party transactions with the Company, ensure that there are no conflicts of interest and raise recommendations about them to the Board before concluding them.
21. Ensure the application of the business rules of its functions and the powers entrusted to it by the Board.
22. Develop a comprehensive risk management strategy and policies that are consistent with the nature and volume of the Company activities, monitor its implementation, review and update it, based on the company internal and external changing factors.
23. Identify and maintain an acceptable level of risks that the Company may face, and ensure that the Company does not exceed such level.
24. Supervise the risk management framework of the company and evaluate the effectiveness of the framework and mechanisms of identifying and monitoring the risks that threaten the company, in order to identify areas of inadequacy and adequacy.
25. Provide guidance to management, as needed, to assist them in improving their risk management practices and / or mitigating certain risks, including the presence of qualified management personnel to carry out risk management activities effectively.
26. Obtain assurance from the executive management and internal audit that the risk processes and systems operate effectively with appropriate controls, in addition to compliance with approved policies.
27. Prepare detailed reports on the level of exposure to risks and recommended procedures for managing such risks, along with submitting them to the Board.
28. Make recommendations to the Board on matters relating to risk management.
29. Ensure of the availability of adequate resources and systems for risk management.
30. Report regularly to the Board on the Company risk profile and promptly inform the Board of any significant changes in the volume of the risk.
31. Verify that the risk management personnel are apart from the activities that may expose the Company to risks.
32. Submit reports and recommendations to the Board on the above matters mentioned.
33. Appointment and removal of Chief Audit, Risk & Compliance Officer and determining his responsibilities and compensation.
34. Consider any other matters determined by the Board.