

- **Encouraging Stakeholders to Keep Track of the Company activities**

The Company believes that the stakeholders have an important and influential role in enriching the Company's works and assisting it to succeed. The Company's Board of Directors realizes that the Company's ultimate success is stemming from the mutual efforts of many parts including the shareholders, the lenders and employees. The Company's procedures, policies and practices are stressing on the importance of respecting the stakeholders' rights pursuant to the relevant laws and regulations. The Company shall encourage stakeholders to keep track of its diverse activities and to develop mechanisms and frameworks that ensure maximum benefit from contributions of Stakeholders and encouraging them to keep track of the Company activities, in a manner that is consistent with achieving the benefits thereof and to allow Stakeholders to have access to information and data related to the activities thereof. In addition, the Company has set proper mechanisms allowing Stakeholders to report the Board of Directors of any unfair practices committed by the Company against them and provide a proper protection for whistle-blowers.

TWELFTH SECTION

Rule X: Encourage and Enhance Performance

- **The Requirements of Developing Mechanisms that allow the Board Members and Executive Management to have regular trainings**

The Company has set induction programs for the newly appointed members and employees (no new appointment was during the financial year) to ensure that they have a full understanding of the Company's works and operations, provided that such programs are including the Company's strategy, objectives, financial and operational aspects of the Company's activities, legal and regulatory obligations of the Board members, the Company and their respective tasks as well as their authorities and rights and the role of the Board committees. Training programs, workshops, and conferences proper to the current Members of the Board of Directors and executive management were recommended, and they are related to the Company's work, in order to develop skills and experience thereof and cope with the developments, in a manner that help them to perform assignments entrusted thereto. The Company has conducted a workshop and a training program on anti-money laundering and combating the financing of terrorism in addition of periodic governance files and many courses on disclosure of interests and organizing insiders dealing for the Board Members, Executive Management and other employees.

- **Evaluate the Performance of the Board of Directors as a whole as well as the Performance of each Board Member and Executive Management**

The Company has developed systems and mechanisms to evaluate the performance of each member of the Board of Directors and executive management annually, it is being updated, through developing a set of performance measurement indicators related to the extent of achieving strategic goals of the Company, quality of risk management, and sufficiency of internal control systems. Further, the Company is, currently, applying these indicators in evaluating the members and the executive management.

- **Creating corporate values among the Company's employees (Value Creation)**

The Board of Directors seeks to create values within the Company in the short, medium and long term, and to achieve this, the Board of Directors has adopted a Code of Business Conduct, which confirms the existence of means to follow those practices and adherence to the best professional standards and institutional values, and sought to link the extent of commitment to corporate values with the performance evaluation of the Company's employees in order to ensure the achievement of the Company's strategic objectives.

The most prominent efforts made by the Company to encourage institutional values within the Company are to provide the opportunity for all categories of employees to present their ideas and initiatives to the executive management, where discussion sessions are held periodically in the presence of senior management with employees of all administrative levels, to see the ideas that can be applied and develop work procedures that will be reflected in Company business development.

THIRTEENTH SECTION

Rule XI: Focus on the Importance of Corporate Social Responsibility

- **A brief on Developing a Policy that ensures Balance between the Company Goals and Society Objectives**

The Company has set a policy, as approved by the Board of Directors, to aim a balance between each of the Company's goals and the goals of society. It has implemented several projects that serve the community, such as supporting a graduation project for students of the College of Engineering, supporting the children of the Company's employees, and providing aid to needy families through cooperation with a charitable association.

The Company believes in activating its social role, and the importance of community members as the main pillar in society (a detailed report on the mentioned projects is attached later).

BOARD AUDIT COMMITTEE REPORT AND INTERNAL CONTROL REVIEW REPORT