

**Agenda of the Ordinary General Assembly**  
**Scheduled to be held on Monday 20/12/1446H**  
**corresponding to 16/06/2025G**

Item No.	Item text
1	View and discuss the Board of Directors' report for the fiscal year ending on 31 December 2024G.
2	View and discuss the financial statements for the fiscal year ending on 31 December 2024G.
3	Vote the Auditors' report for the fiscal year ending on 31 December 2024G after discussing it.
4	Vote on the appointment of the company's Auditors' from among the candidates and determining their fees, based on the recommendation of the Audit Committee, to review and audit the company's financial statements for the second and third quarters and annual financial statements of the fiscal year ending on 31 December 2025G, and the first quarter of the fiscal year ending on 31 December 2026G.
5	Vote on Paying an amount of (SAR 1,250,000) as remuneration to the Board members for the fiscal year ending on 31 December 2024G.
6	Vote on authorizing the Board of Directors to distribute interim dividends semi-annually or quarterly for the fiscal year ending on 31 December 2025G.
7	Vote on releasing the members of the Board of Directors from their liabilities for the fiscal year ending on 31 December 2024G.
8	Vote on Aslak's Audit Committee Charter (Attached).
9	Vote on Aslak's Nomination & Remuneration Committee Charter (Attached).
10	Vote on amending Aslak's Remuneration Policy for the Board of Directors, Board Committees, and Executive Management (Attached).
11	Vote on the business and contracts concluded for the fiscal year ending 12 December 2024G between Aslak and A1 Fence Arabia Industrial Company, in which the Board of Director Member, Mr. Abdullah Saad Aldosari, and the CEO, Mr. Nabeel Hassan Alameer, have an indirect interest. These are sales contracts amounting to (SAR 8,959,903), and there are no preferential terms.

- 12      Vote on the business and contracts concluded for the fiscal year ending 12 December 2024G between Aslak and A1 Fence Arabia Industrial Company, in which the Board of Director Member, Mr. Abdullah Saad Aldosari, and the CEO, Mr. Nabeel Hassan Alameer, have an indirect interest. These are Purchases contracts amounting to (SAR 58,554,242), and there are no preferential terms.
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- 13      Vote on the business and contracts concluded for the fiscal year ending 12 December 2024G between Aslak and A1 Fence Arabia Industrial Company, in which the Board of Director Member, Mr. Abdullah Saad Aldosari, and the CEO, Mr. Nabeel Hassan Alameer, have an indirect interest. These are loans amounting to (SAR 11,250,000), and there are no preferential terms.
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**Audit Committee Report for the General Assembly of shareholders for the  
year 2024G**

United Wire Factories Company

The annual audit committee report

For the fiscal year ending December 31, 2024

The annual audit committee report of the United Wire Factories Company  
For the fiscal year ending on December 31, 2024

**To United Wires Factories Company shareholders**

**Riyadh – KSA**

Peace and God's mercy and blessings be upon you,

The audit committee of the United Wire Factories Company is pleased to submit its annual report for the fiscal year ending 12/31/2024 AD.

Introduction

The control procedures and their effectiveness are very important and play a pivotal role in achieving the company's objectives, and the company's management is responsible for preparing a comprehensive and effective system of internal control. The internal control system is based on the company's management's vision and discretion to establish a control system commensurate with the relative importance of financial and other risks inherent in the company's activities. And with a reasonable cost and benefit to activate limited controls. The internal control system is designed for the purpose of managing the risks of not achieving the goals and not to avoid them, and therefore the internal control system is designed to give reasonable assurances to avoid material errors and related losses. In addition, the Audit Committee periodically reviews the reports prepared by the internal and external auditors, and these reports include an assessment of the adequacy and effectiveness of internal control.

Formation of the Audit Committee:

the audit committee is an independent committee formed by a decision of the company's ordinary general assembly, with a mandate to monitor the company's business and verify the accuracy and integrity of the reports and financial statements, and accounting policies And supervise the work of the internal audit and the external auditors and then report on the adequacy and reliability of the internal control systems to achieve the company's goals.

The company's audit committee consists of 3 members, two independent member and one members from outside the board. The members of the committee were appointed in accordance with the decision of the general assembly of the company for a period of three years, starting from 4/10/2022 to 9/4/2025 AD, and the tasks of the committee, its work controls, and the remuneration of its members were determined by the general assembly of the company according to the requirements Related systemic.

### Committee Meetings:

The committee held 6 (Six) meetings during the fiscal year 2024 AD, with the attendance of all its members. In addition to one Decision to pass.

### The most prominent work done during Year 2024 AD by the committee Within the scope of its competence.

The Audit Committee carried out many activities and works during the fiscal year 2024 AD, during which the preliminary and annual financial reports and statements, internal, external auditors and compliance audits were discussed, considering the financial statements and information provided by the executive committee and the external auditors. Accordingly, the audit committee carried out the following tasks:

### Initial and annual financial reports and statements for the year 2024

- The preliminary (interim) financial statements of the company were studied before presenting them to the Board of Directors and expressing an opinion on them and making a recommendation on them.
- After the committee's review of the annual financial statements ending on December 31, 2024, AD, the committee found that the financial statements in all material respects comply with all relevant regulations and recommended to the Board of Directors for approval.
- The accounting policies used in preparing the financial statements and their compatibility with the accounting standards applied in the Kingdom of Saudi Arabia were studied.
- Accounting estimates have been studied in the material issues contained in the financial reports.
- A technical opinion has been expressed as to whether the report of the Board of Directors and the company's financial statements for Year 2024 are fair, balanced and understandable, and include information that allows shareholders and investors to evaluate the company's financial position, performance, and business model.

### The internal audit for the year 2024

- The performance and activities of the company's internal auditor were monitored and supervised to verify the availability of the necessary resources and their effectiveness in carrying out the work and tasks assigned to them.

- The relationship between management and the internal auditor was supervised, and ensured the independence of the internal auditor, and the effectiveness of audit work, in line with the relevant standards.
- The annual audit plan for the internal audit for the year 2024 was reviewed and approved according to the risk assessment study prepared by the internal auditor.
- The internal audit reports for the year 2024 have been studied and reviewed. And following up the implementation of the corrective procedures for the observations contained therein, The Board of Directors has been notified of the contents.
- The requests to nominate the internal auditor, recommend his appointment and determine his fees for the year 2024 AD were studied.
- The company's risk register was updated during 2024.

#### External Audit for the year 2024

- Reviewed the company's auditors plan and the scope of the external audit work, and it was verified that he did not submit technical or administrative works outside the scope of the audit work.
- Supervised the relationship between the management and the auditor, Verified the auditor's independence, objectivity and fairness, and the effectiveness of audit work, considering the relevant rules and standards.
- The Quarterly and Annual auditor's reports and his notes on the financial statements for the year 2024 have been studied, and what has been taken regarding them has been followed up.
- Studied the management letter for the year 2024 issued by the auditor and the extent of the management's commitment to implementing the recommendations contained therein.
- Studied the auditor's nomination offers, and Recommendation to the Board of Directors the auditor's nomination for the year 2025 AD, after verifying their independence and reviewing the scope of their work and the terms of their contract were studied.

#### Compliance review for the year 2024

- Verified the company's compliance with the relevant laws, regulations, policies and instructions.
- Reviewed the contracts and transactions that the company made with related parties for the year 2024, and the committee presented its views in this regard to the Board of Directors.

## Results of assessing internal and financial control systems and risks

Based on what was provided by the company's internal auditor and the company's external auditor, the audit committee believes that the company has a reasonably adequate internal control system in terms of design and implementation with a chance to enhancements and development, and there is no doubt about the company's ability to continue its business, during the year 2024 there were no substantive observations regarding the effectiveness of The company's internal control system and procedures.

### Audit Committee Head

**Khaled Mohammed Al-Khowaiter**



Article three

Vote the Auditors' report for the fiscal year ending on 31 December  
2024G after discussing it.

## Independent Auditor's Report

### To the Shareholders of United Wire Factories Company (Joint Stock Company)

#### Opinion

We have audited the financial statements of **United Wire Factories Company** (Joint Stock Company) (the "Company"), which comprise the statement of financial position as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

#### Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants that is endorsed in the Kingdom of Saudi Arabia and that is relevant to our audit of the Company's financial statements and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our audit addressed the key audit matter
<p><b>Revenue Recognition</b></p> <p>For the year ended 31 December 2024, the Company recorded a total revenue of SR 707.3 million.</p> <p>Revenue from sales is recognized when control of the goods is transferred to the customer, which occurs upon delivery of the goods, in accordance with IFRS 15 "Revenue from Contracts with Customers".</p> <p>Revenue is considered one of the key performance indicators, leading to inherent risks of revenue overstatement to enhance profitability and earnings. As a result, revenue recognition has been considered as a key audit matter.</p> <p>Please refer to Note (5) for the accounting policy and Note (22) for the related disclosure.</p>	<p>The audit procedures we have performed included, among other audit procedures, the following:</p> <ul style="list-style-type: none"> <li>- Assessed the appropriateness of the Company's revenue recognition accounting policies in line with the requirements of the International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia.</li> <li>- Evaluated key contractual arrangements and sales' returns by examining relevant documents and agreements with customers.</li> <li>- Assessed the design and implementation of the Company's internal controls, including controls to prevent fraud in revenue recognition.</li> <li>- Conducted variance analysis by comparing the current year's revenue with historical trends, verifying its reasonableness, and identifying any significant fluctuations that require further examination in light of our understanding of the current market circumstances.</li> <li>- Performed substantive testing on a sample basis for sold products and verified the proper application of the revenue recognition policy.</li> <li>- Examined a sample of sales transactions that occurred before and after the year-end to assess whether revenue was recognized in the correct accounting period.</li> <li>- Evaluated the adequacy of the related disclosures included in the financial statements in accordance with IFRS 15 "Revenue from Contracts with Customers."</li> </ul>

## **Independent Auditor's Report (continued)**

**To the Shareholders of  
United Wire Factories Company**  
(Joint Stock Company)

### **Other information**

Other information consists of information included in the Company's 2024 annual report, other than the financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The annual report is expected to be available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact.

### **Responsibilities of management and those charged with governance for the financial statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants, the Regulations for Companies and the Company's Bylaws and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using of the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. the Board of Directors, are responsible for overseeing the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

## Independent Auditor's Report (continued)

**To the Shareholders of  
United Wire Factories Company**  
(Joint Stock Company)

### Auditor's responsibilities for the audit of the financial statements (continued)

As a part of an audit performed in accordance with the International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as a fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other matter

The financial statements of the Company for the year ended 31 December 2023, have been audited by another auditor, who expressed an unmodified opinion on these financial statements on 18 Ramadan 1445H (corresponding to 28 March 2024).

### RSM Allied Accountants Professional Services



**Mohammed Bin Farhan Bin Nader**

License No. 435

Riyadh – Kingdom of Saudi Arabia

13 Ramadan 1446 H (corresponding to 13 March 2025).



Article four

Vote on the appointment of the company's Auditors' from among the candidates and determining their fees, based on the recommendation of the Audit Committee, to review and audit the company's financial statements for the second and third quarters and annual financial statements of the fiscal year ending on 31 December 2025G, and the first quarter of the fiscal year ending on 31 December 2026G.

The audit committee recommendation for the nominated external auditors for United wire factories (Aslak) for the year ended 2025

#	Name	FEES				Total in SR	Period
		Year Financial statement Audit fees	Interim financial statements Audit fees	Total fees / Saudi Riyal	Related parties audit report fees		
1	RSM	170,000	70,000	<b>240,000</b>	20,000	<b>260,000</b>	To review and audit the annual financial statements for the year 2025, as well as the initial summary quarterly financial statements for the 2nd quarter of 2025, the 3rd quarter of 2025, and the 1st quarter of 2026.
2	AY Alzoman	223,000	120,000	<b>343,000</b>	20,000	<b>363,000</b>	
3	Elayouty	230,000	120,000	<b>350,000</b>	35,000	<b>385,000</b>	
4	PKF - Albassam	240,000	180,000	<b>420,000</b>	20,000	<b>440,000</b>	
5	BDO	Regression letter due to other commitments					

After studying the offers, the committee unanimously agreed to nominate 2 of the offers, namely the **Al-Zoman office and the PKF office**, to carry out the To review and audit the annual financial statements for the year 2025, as well as the initial summary quarterly financial statements for the 2nd quarter of 2025, the 3rd quarter of 2025, and the 1st quarter of 2026. with a recommendation to choose the office **(Al-Zoman, Al-Fahd, and Al-Hajjaj)** due to what the committee deems preferable in the methodology and method of work.

Article eight

Vote on Aslak's Audit Committee Charter (Attached)



# Audit Committee Charter

Version 1.0 – February 17, 2025

شركة إتحاد مصانع الأسلاك  
United Wire Factories Company



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## **1 Introduction**

### **1.1 Overview**

- United Wire Factories Company is committed to implementing a corporate governance framework in accordance with the Corporate Governance Regulations issued by the Capital Market Authority. To ensure that the Company's operations adhere to the highest corporate governance standards and best practices, this Charter has been formulated pursuant to Resolution No. 2017-16-8, dated 16/05/1438H (13/02/2017), based on the Corporate Law issued under Royal Decree No. M/3, dated 28/01/1437H, as amended by the Capital Market Authority Board Resolution No. 2023-5-8, dated 25/06/1444H (18/01/2023), in accordance with the Corporate Law issued under Royal Decree No. M/132, dated 01/12/1443H.
- The policies and procedures outlined in this Charter are adopted by the Company and shall constitute a binding document within the Company's policies and procedures upon their approval by the General Assembly.

This Charter aims to formalize the policies and procedures governing the formation and operation of the Audit Committee, ensuring that the Company's activities comply with best governance practices in accordance with the Corporate Governance Regulations issued by the Capital Market Authority or any other applicable laws and regulations.

The Charter covers the following aspects:

- Criteria for selecting and nominating Committee members.
- Membership term and remuneration of Committee members.
- The mechanism for temporary appointments in case of a vacancy.
- The responsibilities, authorities, and duties of the Audit Committee.
- The controls, procedures, and operational mechanisms of the Committee.

### **1.2 Confidentiality and Privacy**

- This document is intended solely for use by United Wire Factories Company (Aslak) and shall not be disclosed, in whole or in part, to any individuals other than Aslak's authorized employees and other designated parties, including affiliated and subsidiary companies. Under no circumstances may any portion of this document be reproduced, stored in a retrieval system, or transmitted by any means, whether electronic or otherwise, without obtaining prior written permission from Aslak.

### 1.3 Enforcement and Maintenance

- The Board of Directors shall be responsible for enforcing and maintaining this document.

## 2 General Provisions and Rules

### 2.1 General Definitions:

- Unless the context indicates otherwise, the terms used in this Charter shall have the following meanings:

Term	Definition
Company	United Wire Factories Company and its subsidiaries, as applicable.
Laws and Regulations	Rules issued by the Capital Market Authority, the Ministry of Commerce, and other relevant laws and regulations in the Kingdom of Saudi Arabia.
Governance Regulations	The Company's Governance Regulations, issued in accordance with the Corporate Governance Regulations of the Capital Market Authority.
Committee	The Audit Committee established by the Board of Directors.
Independent Committee Member	An independent Board member as defined by applicable laws and regulations.
Internal Auditor	The Company's Internal Audit Department or an external audit firm engaged for internal audit functions.
External Auditor	A certified external chartered accountant appointed in accordance with applicable laws and regulations to audit the Company's accounts.

### 2.2 Amendments:

- Any amendment to the Audit Committee Charter shall be proposed by the Board of Directors and submitted to the General Assembly for approval.
- Following the General Assembly's approval of this Charter, if new laws, regulations, or amendments are issued by the Capital Market Authority or any other relevant authorities that require changes to its provisions, the Board of Directors shall implement the new laws or regulations immediately upon their issuance. The Charter shall then be updated accordingly and subsequently presented to the General Assembly for approval.

### 2.3 Approval:

- This document and any subsequent amendments shall be submitted to the General Assembly for approval upon the recommendation of the Board of Directors.

### 2.4 Application:

- The Audit Committee Charter shall apply to Aslak and its subsidiaries upon approval by the General Assembly.
- All relevant departments, as well as internal and external auditors, shall be provided with a copy of this Charter upon its approval.

- In case where no provision is made in this Charter, or where ambiguities arise regarding its interpretation or application, the Board of Directors shall have the authority to make a ruling until the necessary amendments are made and submitted to the General Assembly for approval, as may be required.
- This Charter and any future amendments shall remain aligned with the applicable laws and regulations of the Kingdom of Saudi Arabia.

### **3 Criteria for Selecting and Nominating Committee Members:**

#### **3.1 Committee Formation:**

- a) The Audit Committee shall be formed by a resolution of the Board of Directors and may comprise shareholders and non-shareholders.
- b) The Committee shall consist of at least three and no more than five members, with at least one member possessing expertise in financial and accounting matters.
- c) The Committee shall include at least one independent member.
- d) The Chairman of the Board of Directors shall not be a member of the Audit Committee.
- e) Individuals who have been employed in executive or financial roles within the Company or have served as auditors for the Company in the past two years, shall be ineligible for the Audit Committee membership.
- f) No Audit Committee member shall serve on the Audit Committees of more than five publicly listed companies simultaneously.

#### **3.2 Committee Chairman:**

- a) The Committee shall elect its Chairman from among its members.
- b) The Chairman shall oversee the organization of Committee meetings, set the agenda, and ensure access to all relevant information and documents necessary for fulfilling the Committee's duties.
- c) The Chairman may establish additional rules, from time to time, as needed to facilitate the Committee's operations, provided such rules receive approval from the Board of Directors and are subsequently endorsed by the General Assembly.

#### **3.3 Committee Secretary:**

- The Committee may appoint a secretary from among its members or an external individual. The Secretary's responsibilities shall include preparing and maintaining meeting minutes, documenting Committee proceedings, reporting on Committee activities to the Board of Directors, and carrying out any other tasks assigned by the Committee from time to time.
- The Nomination and Remuneration Committee shall determine the compensation and attendance allowance for the Committee Secretary.

#### **3.4 Rules for the Selection of Committee Members:**

- a) Members may be selected from the Company's Shareholders or external individuals.
- b) Members shall not be Executive Directors or individuals holding technical or administrative roles within the Company, including in an advisory capacity.
- c) At least one member shall be an Independent Member.

- d) Members shall possess a reasonable level of expertise in financial and accounting principles, with preference given to those holding relevant academic qualifications.
- e) Members shall not have been employed in the Company's Executive or Financial Management or by its External Auditor within the past two years.
- f) Members shall not have any direct or indirect interest in transactions or contracts executed on behalf of the Company.
- g) Committee Members shall adhere to the same obligations as Board Members, including maintaining absolute confidentiality and refraining from disclosing any Company secrets to any third party whatsoever.

#### **4 Committee Membership Term & Remuneration:**

- The Committee's membership term shall align with the term of the Board of Directors, ranging between a minimum of one year and a maximum of four years.

##### **4.1 Termination of Committee Membership:**

- a) Committee membership shall automatically terminate upon the expiration of the Board of Directors' term.
- b) The Board of Directors may recommend to the General Assembly the dismissal of all or specific Committee Members in case of any violation of this Charter.
- c) A Committee Member shall be deemed to have resigned if he fails to attend more than three consecutive meetings without prior permission from the Chairperson or a justified excuse.
- d) A Committee Member may resign by submitting a written notice to both the Chairman of the Board and the Chairman of the Committee. The resignation shall take effect upon submission unless a later effective date is specified. However, the resignation shall be timed appropriately, subject to Board approval; otherwise, the resigning Member may be held accountable by the Company.

##### **4.2 Remuneration of Committee Members:**

- a) The Board of Directors shall propose and determine the remuneration of Audit Committee Members based on the recommendation of the Nomination and Remuneration Committee, subject to approval by the General Assembly of Shareholders.
- b) Each Committee Member shall be entitled to an attendance allowance for every Committee meeting, as proposed by the Board and approved by the General Assembly.
- c) Committee Members residing outside Riyadh shall be eligible for reimbursement of travel and accommodation expenses in accordance with the Company's Remuneration Policy for the Board of Directors, its Committees, and Executive Management.

#### **5 Mechanism for Temporary Appointments in Case of a Vacancy:**

- If a vacancy arises in the Audit Committee during the membership term, as specified in Clause 4.1 (Termination of Committee Membership), the Board of Directors shall appoint a replacement to serve for the remainder of the predecessor's term. The Company shall notify the relevant Authority within five business days of the change, and the appointment shall be subject to approval by the General Assembly.

**6 Committee Functions, Authorities, and Responsibilities (Article 52):**

The Audit Committee shall be responsible for overseeing the Company's operations, ensuring the accuracy and integrity of its financial reports and statements, and evaluating its internal control systems. The Committee's primary responsibilities shall include, but not limited to, the following:

**6.1 Financial Reports:**

1. Reviewing the preliminary and annual financial statements before submission to the Board, while providing opinions and recommendations to ensure the integrity, fairness, and transparency thereof.
2. Offering expert opinions upon request from the Board to ascertain whether the Company's annual report and financial statements are fair, balanced, comprehensible, and contain information enabling shareholders and investors to evaluate the Company's financial position, performance, business model, and strategy.
3. Addressing any significant or unusual issues identified in the financial reports.
4. Investigating any issues raised by the Company's CFO, his delegate, Compliance Officer, or External Auditor.
5. Validating accounting estimates in fundamental matters presented in the financial reports.
6. Evaluating the Company's adopted accounting policies and providing opinions and recommendations thereon to the Board.

**6.2 Internal Audit:**

1. Studying and auditing the Company's internal and financial control and risk management systems.
2. Reviewing internal audit reports and monitoring the implementation of corrective actions for the comments mentioned therein.
3. Recommending to the Board of Directors the appointment of the Head of the Internal Audit Department or an external audit firm to perform internal audit functions. This shall include reviewing candidate applications, proposing compensation and benefits, nominating the most suitable candidate or firm with justifications, and considering termination due to resignation, incapacity, or dismissal. The Committee shall submit its recommendations to the Board of Directors.
4. Overseeing and supervising the Internal Auditor's performance and activities to ensure adequate resources are available and effectively utilized in fulfilling their tasks and duties assigned thereto by the Board of Directors.
5. Approving the Company's Internal Audit policies and procedures.
6. Reviewing and approving the Internal Auditor's annual audit plan.
7. Assessing the performance of the Internal Auditor.
8. Ensuring the independence of the Internal Auditor.
9. Setting the corrective measures based on the comments included in the Internal Audit reports.
10. Holding regular meetings with the Internal Auditor to discuss any matters the Committee deems necessary in private session.

11. Acting as the primary liaison between the Board of Directors and the Internal Audit Department.

### 6.3 External Auditor:

1. Recommending to the Board of Directors the nomination, dismissal, remuneration, and performance evaluation of licensed external auditors responsible for auditing the Company's accounts, after ensuring their independence and reviewing the scope of their engagement and contractual terms.
2. Assessing the auditors' ability to perform their duties efficiently and effectively before extending an invitation for them to audit the Company's accounts.
3. Verifying the independence of external auditors and their objectivity, fairness, and the effectiveness of audit activities, considering relevant rules and standards.
4. Reviewing the External Auditor's audit plan and activities, ensuring that he does not provide technical or administrative services beyond his audit scope, and providing observations as necessary.
5. Examining the External Auditor's comments on the Company's financial statements and monitoring the actions taken in response.
6. Responding to inquiries from the Company's auditors.
7. **Defining and verifying the scope of the external audit, ensuring that it includes:**
  - a) Performing sample-based testing on selected financial transactions of the Company.
  - b) Communicating with the Company's debtors, creditors, or other relevant parties to confirm balances or for other audit-related purposes.
  - c) Overseeing inventory audits, including those conducted at the Company's branches.
  - d) **Ensuring compliance with the International Accounting Standards applicable in the Kingdom to verify that the financial statements:**
    - Accurately reflect the Company's financial position and performance for the fiscal year ended on that date, in line with the presentation and disclosure requirements of generally accepted accounting standards, while ensuring alignment with the Company's specific circumstances.
    - Adhere to the requirements of the Corporate Law, the Company's Articles of Association, and international standards governing the preparation and presentation of financial statements.
  - e) Informing the relevant Company officials in writing of any observations identified by the External Auditor during the audit process.
8. The Company's Management shall invite the chartered accountants nominated by the Audit Committee. This invitation shall specify the scope of work outlined in Clause (3) above, along with any terms and obligations the Company deems necessary to ensure the proper execution of the audit process. The Board of Directors shall grant these accountants access to all requested data and clarifications necessary to assess the scale and nature of the Company's transactions. Each accountant shall submit a proposal for auditing the Company's accounts, along with a firm profile that includes, at a minimum, the following:
  - a) The academic and professional qualifications of the audit team members, including their names and nationalities.
  - b) A detailed explanation of the firm's quality control measures.

- c) Any external parties the Auditor intends to engage for auditing the Company's accounts (if applicable), specifying their roles, scope of engagement, and the qualifications and experience of the individuals assigned to this task.
  - d) The audit firm's experience in auditing companies of similar nature.
  - e) An overview of the firm's size, branch locations, and the number of technical staff.
  - f) Any familial relationships between the chartered accountant or audit team members and the Company's Board Members (if any), as well as any existing business relationships between the chartered accountant and the Company or any of its Board Members (if applicable).
  - g) The anticipated timeline for completing and issuing the report on the Company's financial statements.
  - h) The audit fees.
9. The Company's management shall prepare a comparative table of the offers submitted by the chartered accountants in accordance with the data referred to in Clause (7) and submit it to the Audit Committee accompanied by the offers and data submitted by the chartered accountants.
10. The Audit Committee shall study the comparative table, offers and data attached thereto; and it may invite the audit team of each firm separately for a meeting during which their offer shall be discussed, in light of the data referred to in Clause (8).
11. The Audit Committee shall prepare a memorandum to be submitted to the Board of Directors, in which it shows a summary of its analysis of the submitted offers and nominates one or more chartered accountants to audit the Company's accounts, and indicates the basis on which the nomination was made.
12. The Board of Directors shall submit to the General Assembly, based on the nominations received from the Audit Committee, a report detailing the names of chartered accountants who have submitted offers, along with those nominated by the Audit Committee to audit the Company's accounts. The report shall also specify the proposed audit fees and the criteria used for selection. The General Assembly may appoint one or more chartered accountants to audit the Company's accounts, while determining their fees and duration of engagement.
13. The tenure of the External Auditor shall not exceed the period prescribed by the applicable laws and regulations.
14. The Committee shall review the reports and observations submitted by the chartered accountant and act as the primary liaison between the External Auditor and the Board of Directors. This role shall ensure that the External Auditor can perform his duties independently, free from any restrictions or undue influence from the Board of Directors or the Company's Management.
15. **The Committee shall undertake the following tasks in relation to the External Auditor:**
- a) Ensure the independence of the Company's External Auditor and the extent of his commitment to impartiality and objectivity upon presenting audit evidence and upon reaching an opinion on the financial statements. Additionally, assess the effectiveness of the audit process while adhering to relevant rules and standards.
  - b) Oversee the activities of the External Auditor and approve any engagements outside the designated audit scope undertaken during the audit process.



- c) Examine the scope and method of the External Auditor's work, offering feedback as needed, and verify the extent to which he coordinates his activity with the activity of the Company's Internal Audit Department and the non-duplication between his duties and the duties carried out by the Internal Audit Department.
- d) Review the financial disclosure submitted by the Company's Management to the External Auditor, and express its views thereon to the Board of Directors.
- e) Consider the divergence of points of view that may arise between the External Auditor and the Company's Management.
- f) Ensure the coordination of the external audit work in case that there is more than one external auditor for the Company's Accounts.
- g) Meet with the External Auditor to discuss the Company's financial statements and ensure that they indicate the Company's fair financial position and whatever observations he deems appropriate thereon.
- h) Discuss the External Auditor's report and make recommendations regarding its contents to the Board of Directors.
- i) Consider the External Auditor's performance and make recommendations to the Board of Directors to reengage him or terminate the contract concluded with him.

#### **6.4 Compliance Assurance:**

1. Reviewing the findings of reports from regulatory authorities and ensuring the Company takes necessary actions in response.
2. Verifying the Company's adherence to relevant laws, regulations, policies, and instructions.
3. Review the contracts and transactions proposed to be conducted by the Company with the related parties, and submit its views and actions to be taken regarding this matter to the Board of Directors.
4. Submit to the Board of Directors the matters and issues it deems necessary to take action thereon and make its recommendations regarding the actions to be taken.

#### **6.5 Authorities of the Committee:**

##### **1- Authorities of the Committee:**

To effectively carry out its duties, the Audit Committee shall have the right to:

- a) Seek clarification or statements from members of the Board or Executive Management.
- b) Establish Subcommittees with the approval of the Board of Directors for any purpose it deems appropriate and delegate certain powers and authorities to these Subcommittees as necessary, provided that each Subcommittee consists of at least two members.
- c) Request the attendance of any Directors, Officers, or Employees of the Company, or any other individuals whose input is deemed necessary, at Committee meetings to provide relevant information, as may be required by the Committee.

- d) Ask the Board of Directors to convene the General Assembly of the Company in cases where the Committee's work is impeded by the Board, or the Company has incurred substantial damage or losses attributable to actions by the Board.

## **6.6 Conflict between the Committee and the Board of Directors:**

- If a conflict arises between the Committee's recommendations and the Board's decisions, or if the Board refuses to accept the Committee's recommendation regarding the appointment and removal of the Company's External Auditor, determining his fees, evaluating his performance, or appointing the Internal Auditor, the report of the Board shall include the Committee's recommendation and its justifications, and the reasons for disregarding it.

## **7 Controls, Procedures, and Operational Mechanisms of the Committee:**

### **7.1 Committee Meetings:**

#### **7.1.1 Procedures of the Meetings:**

- a) The Committee shall convene at least four times per year or more frequently as necessary to fulfill its responsibilities. Meetings shall be called by the Chairman, and invitations, along with the agenda and any relevant documents, shall be timely circulated in advance.
- b) The Committee shall meet periodically with the Company's External and Internal Auditors.
- c) The Internal Auditor and External Auditor may request a meeting with the Audit Committee whenever required.
- d) The Committee meeting shall only be valid if attended by at least half of the members.
- e) A Committee Member shall not delegate his attendance or voting rights to another Member.
- f) In the event of a tie, the Chairman's vote shall be decisive.
- g) Audit Committee Members and all other persons attending its meetings shall maintain the confidentiality of all discussions, documents, and information shared during these meetings. They shall not disclose any company secrets, particularly those related to operational processes and trade secrets acquired through their participation in the Committee.
- h) Meetings may be conducted either in person or via modern technological means, as determined by the Chairman.

#### **7.1.2 Minutes of the Meetings:**

- a) The Committee's deliberations and decisions shall be documented in official minutes, which shall be signed by all members and the Secretary.
- b) The Secretary shall record all resolutions and recommendations arising from the discussions held during the meeting.
- c) A signed copy of the minutes, along with relevant documents and correspondence, shall be securely maintained by the Secretary.

### **7.2 Reporting Responsibilities:**

- a) After each Committee meeting, the Chairman, if deemed necessary, shall submit a formal report to the Board of Directors summarizing the discussions, decisions, and actions taken by the Committee.

- b) The Committee shall provide recommendations to the Board on matters within its jurisdiction that, in its opinion, require action.

### **7.3 Mechanism for Submitting Observations:**

- The Audit Committee shall establish a confidential reporting mechanism that enables Company employees to report any financial reporting irregularities or other violations. The Committee shall oversee the implementation of this mechanism by ensuring independent investigations are conducted in proportion to the severity of the violation and by adopting appropriate follow-up measures.

## **8 General Provisions:**

- a) Members of the Audit Committee shall not disclose any confidential information they obtain during the course of their duties to shareholders or any third party. Any violation of this obligation shall result in dismissal and potential liability for damages.
  - b) The Company shall not extend any form of cash loan to Audit Committee Members or providing guarantees or security for any loan they obtain from third parties.
  - c) No modifications, deletions, or additions to this Charter shall be made except upon a proposal by the Board of Directors. The Board shall periodically review the Charter and implement necessary updates and revisions as deemed appropriate. Any amendments shall be limited to ensuring compliance with the laws and regulations of the Capital Market Authority and shall be submitted to the General Assembly for approval.
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Article nine

Vote on Aslak 's Nomination & Remuneration Committee Charter  
(Attached)



# Nomination & Remuneration Committee Charter

Version 1.0 - 16 February 2025

شركة إتحاد مصانع الأسلاك  
United Wire Factories Company

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## 1. Introduction

### 1.1 Overview

- **United Wire Factories Company** is committed to implementing a corporate governance framework complying with the Corporate Governance Regulations issued by the Capital Market Authority (CMA). The objective is to ensure that the Company's activities are aligned with best practices in corporate governance. This Charter has been prepared based on CMA Board Decision No. 2023-5-8, dated 25/06/1444H (18/01/2023).
- The policies and procedures outlined in this Charter shall be implemented by the Company and will constitute a binding document upon approval by the General Assembly.
- The purpose of this Charter is to formalize the policies and procedures governing the formation and operation of the Nomination and Remuneration Committee (the "Committee" or "NRC"). This is to ensure that the Company's activities align with best governance practices, in accordance with CMA's Corporate Governance Regulations or any other relevant laws and enactments. The Charter includes provisions for:
  - The formation of the Nomination and Remuneration Committee;
  - The functions of the Committee;
  - The meetings of the Committee; and
  - The dissemination of nomination announcements and shareholder nomination rights.

### 1.2 Confidentiality and Privacy

This document is intended solely for use within United Wire Factories Company (ASLAK). It should not be disclosed, in whole or in part, to any individuals other than ASLAK's authorized personnel or those specifically authorized by ASLAK, including affiliates and subsidiaries. No part of this document may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, whether electronic or otherwise, without prior written consent from ASLAK.

### 1.3 Enforcement and Maintenance

The Board of Directors shall be responsible for enforcing and maintaining this document.

## 2. General Provisions and Rules

### 2.1 Definitions:

The following terms, as used in this Charter, shall have the meanings set forth below, unless the context requires otherwise:

Term	Definition
Company or ASLAK	United Wire Factories Company and, where applicable, its affiliates.
Laws and Regulations	Rules issued by the Capital Market Authority, the Ministry of Commerce, and other relevant laws and regulations in the Kingdom of Saudi Arabia.
Governance Regulations	The Company's Governance Regulations, issued in accordance with the Corporate Governance Regulations of the Capital Market Authority.
Committee or NRC	The Nomination and Remuneration Committee, formed under the Company's Board of Directors.
Nomination	Nomination of the shareholder to the Board of Directors membership
Remuneration	Amounts, allowances, profits, and the like, regular or annual performance-related bonuses, short-term or long-term incentive plans, and other in-kind benefits, excluding actual reasonable expenses incurred by the Company for a Board member to perform their duties.

## 2.2 Amendments:

- Any amendment to the NRC Charter shall be presented by the Board of Directors to the General Assembly for approval.
- Following the General Assembly's approval of this Charter, if any subsequent regulations, rules, or amendments are issued by CMA or any other relevant authorities that require changes to the provisions of this Charter, the Board of Directors shall implement the new regulations or rules immediately upon issuance, and the Charter shall then be updated to reflect these changes and submitted to the General Assembly for approval.

## 2.3 Approval:

- This document, along with any updates thereto, shall be submitted to the General Assembly for approval upon the recommendation of the Board of Directors.



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#### **2.4 Application:**

- This NRC Charter shall apply to ASLAK and its affiliates immediately upon approval by the General Assembly.
- A copy of this Charter shall be provided to all relevant departments, as well as to internal and external auditors, upon its approval.
- Any matters not specifically addressed in this Charter, or any uncertainties regarding the interpretation of its provisions, shall be determined by the Board of Directors until the necessary updates are made and presented to the General Assembly as required.
- This Charter, and any updates thereto, shall comply with the applicable laws and regulations of the Kingdom of Saudi Arabia.

### **3. Establishment of the Committee**

#### **3.1 Committee Formation:**

1. The NRC Committee shall be formed by a resolution of the Board of Directors for a term of four (4) years, commencing with the start of the Board's term.
2. The Ordinary General Assembly shall, upon the proposal of the Board of Directors, approve the NRC Committee Charter. The Charter shall define the Committee's operational framework, including its rules and procedures, responsibilities, criteria for member selection, term of membership, working method, and remuneration.
3. The NRC Committee shall comprise a minimum of three (3) and a maximum of five (5) members, including at least one (1) independent member.
4. Committee members shall not have any relationships that may compromise their independence. The assessment of members' independence shall be conducted in accordance with applicable laws and regulations.

#### **3.2 Committee Chairman:**

1. The Committee shall elect a Chairman from among its members.
2. The Chairman shall oversee and preside over Committee meetings, distribute meeting agendas to members, and ensure they receive all necessary presentations and documents.
3. The Chairman of the Board of Directors may not serve as the Chairman of the Committee.

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### **3.3 Committee Secretary:**

1. The Committee shall appoint a Secretary from among its members or from outside the Committee, and shall define the Secretary's responsibilities.
2. The Secretary shall document Committee meetings and prepare minutes detailing discussions, deliberations, the meeting's location, date, start and end times, resolutions, voting results, attending members, and any reservations raised (if applicable). These minutes shall be maintained in a properly organized, dedicated register, and shall be signed by the meeting Chairman, attending members, and the Secretary.
3. The Secretary shall maintain reports submitted to the Board of Directors and those prepared by the Committee.
4. The Secretary shall distribute meeting agendas and related working papers, documents, and information to Committee members, and provide any further materials requested by the members concerning agenda items.
5. The Secretary shall ensure Committee members' adherence to procedures approved by the Board of Directors.
6. The Secretary shall notify Committee members of meeting dates well in advance of the scheduled meeting date.
7. The Secretary shall present draft minutes to Committee members for feedback before finalization and signing.
8. The Secretary shall ensure that members receive complete and timely copies of meeting minutes and all relevant Company information and documentation.
9. The Secretary shall facilitate coordination among Committee members.
10. The Secretary shall provide assistance and advice to Committee members.
11. The NRC Secretary may only be removed by a resolution of the Committee.

### **3.4 Termination of Committee Membership:**

1. Membership on the Committee shall terminate upon the expiration of the term of membership on the Board of Directors.
2. The Board of Directors may decide to remove or replace any or all Committee members at any time as it deems appropriate.
3. Membership shall terminate upon a Committee member's resignation by notice to the Chairman and Secretary. The resignation shall be effective from the date of notice.
4. The Board may appoint a replacement member to fill any Committee vacancy arising from the above or other reasons.

### **3.5 Committee Selection Criteria:**

1. Committee members must be independent Board members. Non-executive members or individuals not on the Board, including shareholders and non-shareholders, may also be appointed, provided that at least one (1) member is independent.
2. Committee members must not be engaged in any technical or administrative work within the Company, including advisory roles.
3. Members must have adequate experience and qualifications relevant to the Committee's duties, responsibilities, and the nature of its work.
4. A Committee member shall be bound by the same obligations as those of a Board member, including the strict confidentiality of information and the non-disclosure of any Company secrets to third parties.

### **3.6 Committee Authorities:**

1. The Committee shall have the authority to access all the necessary data and information required to fulfill its duties and responsibilities.
2. Subject to the Board's approval, the Committee may create subcommittees for any purpose it deems appropriate. It may also delegate specific powers and authorities to these subcommittees as necessary. Any such subcommittee shall consist of at least two (2) members.
3. The Committee may request the presence of any managers, officers, employees of the Company, or any individuals whose expertise or input is required, to provide relevant information during Committee meetings.

### **3.7 Committee Remuneration:**

1. The Board shall determine the remuneration of NRC Committee members in accordance with the remuneration policy for the Board, Board committees, and executive management.
2. Committee members residing outside Riyadh shall be entitled to reimbursement for travel and accommodation expenses, as outlined in the remuneration policy for the Board, Board committees, and executive management.
3. The Board's reports to shareholders shall disclose all compensation and payments made to Committee members, including travel expenses for meetings outside Riyadh.

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#### 4. Committee Functions

The NRC Committee shall undertake the following functions:

1. Develop a clear, performance-based remuneration policy for the Board, Board committees, and executive management, submit the policy to the Board for review before seeking approval from the General Assembly, and ensure its effective communication and implementation.
2. Define the link between the remuneration given and the applicable remuneration policy and identify any significant deviations.
3. Regularly review the remuneration policy and assess its effectiveness in achieving its intended objectives.
4. Recommend Board, Board committee, and senior executive remuneration to the Board as per the approved policy.
5. Propose clear policies for Board and executive management membership.
6. Recommend Board nominations and re-nominations to the Board based on approved policies and criteria, ensuring that no nominee has been convicted of a crime involving dishonesty.
7. Define the qualifications and capabilities required for Board membership and executive management roles.
8. Establish the expected time commitment for Board members to fulfill their duties on the Board.
9. Conduct an annual review of the competencies required for Board membership and executive management positions.
10. Review the structure of the Board and executive management and recommend possible enhancements.
11. Conduct an annual assessment of independent Board members to verify their independence and ensure no conflicts of interest exist for those serving on other company boards.
12. Develop job descriptions for executive, non-executive, independent members, and senior executives.
13. Establish procedures for filling vacancies in Board and senior executive positions.
14. Identify Board strengths and weaknesses and propose solutions aligned with the best interests of the Company.

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## 5. Committee Meetings

### 5.1 Meeting Procedures:

1. The Committee shall hold at least two (2) meetings annually, or more as needed, to fulfill its duties, convened at the invitation of the Committee Chairman. A meeting invitation shall be sent to each Committee member sufficiently in advance of the scheduled date, along with the meeting agenda and any relevant documents and information. If the situation requires an urgent meeting, the invitation, agenda, and documents may be sent closer to the meeting date.
2. No member of the Board of Directors or the executive management, other than the Committee Secretary and Committee members, may attend Committee meetings unless the Committee specifically requests their opinion or advice.
3. A meeting of the Committee shall be valid if attended by a majority of its members. Resolutions shall be passed by a majority vote of those present. In the event of a tie, the side with which the meeting Chairman voted shall prevail.

### 5.2 Meeting Minutes:

1. The Committee's discussions and decisions shall be recorded in meeting minutes, which shall be signed by the members and the Secretary.
2. Resolutions and recommendations made during meetings shall be documented.
3. The meeting's location, start time, and end time shall be clearly stated.
4. A signed copy of the minutes, along with relevant documents and correspondence, shall be maintained.

### 5.3 Reporting Responsibilities:

The Committee shall review matters within its remit or those referred to it by the Board of Directors and provide its recommendations to the Board for decision-making. If authorized by the Board, the Committee may make decisions on such matters.

## 6. Final Provisions

1. The Committee shall review this Charter and introduce any necessary amendments and updates as deemed necessary. The committee shall review the Charter and make the necessary changes to ensure alignment with CMA's regulations, and shall submit any proposed changes to the Board for presentation to the General Assembly for approval.
2. No amendments, deletions, or additions shall be made to this Charter except upon the Committee's recommendation.

Article ten

Vote on amending Aslak's Remuneration Policy for the Board of Directors,  
Board Committees, and Executive Management (Attached)

	Pre-amendment		After-amendment
1	<p>This <b>Remuneration Policy for the Board of Directors, Board Committees, and Executive Management of United Wire Factories Company (ASLAK)</b> has been developed in compliance with Article 61(1) of the Corporate Governance Regulations issued by the Capital Market Authority (CMA) Board, pursuant to Resolution No. 8-16-2017 dated 16/05/1438H (13/02/2017), based on the Companies Law promulgated by Royal Decree No. M/3 dated 28/01/1437H, as amended by CMA Board Resolution No. 1-35-2018 dated 09/07/1439H (26/03/2018). The Corporate Governance Regulations require the Nomination and Remuneration Committee to prepare a clear Remuneration Policy for the Board of Directors, its Committees, and Executive Management, which is then submitted to the Board for review and subsequent approval by the General Assembly.</p>	1	<p>This <b>Remuneration Policy for the Board of Directors, Board Committees, and Executive Management of United Wire Factories Company (ASLAK)</b> has been developed in compliance with Article 58(1) of the Corporate Governance Regulations issued by the Capital Market Authority (CMA) Board pursuant to Resolution No. 8-5-2023 dated 25/06/1444H (18/01/2023). The Corporate Governance Regulations require the Nomination and Remuneration Committee to prepare a clear Remuneration Policy for the Board of Directors, its Committees, and Executive Management, which is then submitted to the Board for review and subsequent approval by the General Assembly.</p>
	<p><b>[Article introduced]</b></p>	3	<p><b>The following terms, as used in this Policy, shall have the meanings assigned to them below, unless the context requires otherwise:</b></p> <p>Company or ASLAK: United Wire Factories Company and, where applicable, its subsidiaries and affiliates.</p> <p>Laws and Regulations: Rules issued by the Capital Market Authority, the Ministry of Commerce, and other relevant laws and regulations of the Kingdom of Saudi Arabia.</p>

		<p>Governance Regulations: The Company's Governance Regulations, issued in accordance with the Corporate Governance Regulations of the Capital Market Authority.</p> <p>Remuneration: Amounts, allowances, profits, and the like, including regular or annual performance-linked bonuses, short- or long-term incentive plans, and other in-kind benefits, but excluding actual and reasonable expenses incurred by the Company for a Board member in the course of performing their duties.</p> <p>Internal Committee Member: A Committee member who holds the position of a Board member in the Company.</p> <p>External Committee Member: A Committee member who does not hold the position of a Board member in the Company.</p>
3	<p>13) A Board member may receive remuneration for serving on the Audit Committee formed by the General Assembly or for undertaking additional executive, technical, administrative, or advisory roles within the Company, in addition to the remuneration received for their membership on the Board and its Committees, in accordance with the Companies Law and the Company's Bylaws.</p> <p>15) In the event of establishing a stock grant program for Board members, Executive Management, and employees, whether through new issuances or shares repurchased by the Company, such a program shall be overseen by the</p>	<p>4</p> <p>13. A Board member may receive remuneration for serving on Board Committees or for undertaking additional executive, technical, administrative, or advisory roles within the Company, in addition to the remuneration received for their membership on the Board and its Committees, in accordance with the Companies Law and the Company's Bylaws.</p> <p>9. The allocation of Company shares to Board members and Executive Management, whether newly issued or repurchased, shall be properly regulated.</p> <p>6. Remuneration shall aim to attract, retain, and motivate professional talent without being excessive.</p>



	<p>Nomination and Remuneration Committee and comply with the Company's Bylaws and applicable regulations of the Capital Market Authority.</p> <p>11) The remuneration of Board members may vary in amount to reflect their expertise, assigned duties and responsibilities, independence, number of meetings attended, and other relevant factors.</p>		
	<b>[Paragraph introduced under General Remuneration Criteria]</b>	4	15. Remuneration shall be determined based on the recommendations of the Nomination and Remuneration Committee.
4	<p>Remuneration of Board Members:</p> <p>2) The remuneration amount may vary, subject to a policy issued by the Nomination and Remuneration Committee and approved by the General Assembly. The Board's annual report to the General Assembly of Shareholders shall include a comprehensive statement of all remuneration, expense allowances, and other benefits received by Board members during the relevant fiscal year. It shall also detail any payments made to Board members as employees or managers or for technical, administrative, or consulting services (if applicable). The report shall further include a record of the number of Board meetings held and each member's attendance since the last General Assembly meeting.</p>	5	<p>Remuneration of Board Members:</p> <p>2. The remuneration amount may vary, subject to a policy issued by the Nomination and Remuneration Committee and approved by the General Assembly of Shareholders.</p> <p>4. The Board's annual report to the General Assembly shall include a comprehensive statement of all remuneration, expense allowances, and other benefits received by Board members during the relevant fiscal year. It shall also detail any payments made to Board members as employees or managers or for technical, administrative, or consulting services (if applicable). The report shall further include a record of the number of Board meetings held and each member's attendance since the last General Assembly meeting</p>
5	<p>Remuneration of Committee Members:</p> <p>3) The remuneration of Audit Committee members shall be approved by the General</p>	6	<b>[Paragraph removed under Remuneration of Committee Members]</b>

	Assembly of Shareholders based on a recommendation from the Board of Directors, in compliance with applicable laws.		
8	<p>1) Board Members:</p> <p>a. Attendance fee per meeting: SAR 3,000.</p> <p>b. Annual fixed remuneration per Board member: SAR 100,000, subject to a cap of SAR 500,000.</p> <p>c. Profit-linked bonus: A specified percentage of net profits, determined based on a recommendation from the Nomination and Remuneration Committee, subject to the Company achieving profits and meeting applicable statutory requirements, and in accordance with Article 4(3) of the Regulatory Rules and Procedures Issued Pursuant to the Companies Law.</p> <p>d. Fixed travel and transportation allowance: SAR 2,000 for members residing outside the meeting venue (Riyadh), or such arrangements shall be provided directly by the Company, as specified in Paragraph 4 of this Article.</p> <p>e. Adjustment: The annual fixed remuneration referred to in Paragraph 1(b) above may be reviewed from time to time based on a recommendation from the Nomination and Remuneration Committee, considering performance-related factors, and shall be subject to approval by the General Assembly of Shareholders.</p>	9.1	<p><b>Board Member</b></p> <p>1. Attendance fee per meeting: SAR 3,000.</p> <p>2. Annual fixed remuneration for the Board Chairman: SAR 200,000.</p> <p>3. Annual fixed remuneration per Board member: SAR 150,000.</p> <p>4. Profit-linked bonus: A specified percentage of net profits, determined based on a recommendation from the Nomination and Remuneration Committee, subject to the Company achieving profits and meeting applicable statutory requirements, and in accordance with Article 5(3) of the Regulatory Rules and Procedures Issued Pursuant to the Companies Law.</p> <p>5. Fixed travel and transportation allowance: SAR 2,000 for members residing outside the meeting venue (Riyadh), or such arrangements shall be provided directly by the Company, as specified in Article 9.5.</p> <p>6. Adjustment: The annual fixed remuneration referred to in Article 9.1 above may be reviewed from time to time based on a recommendation from the Nomination and Remuneration Committee, considering performance-related factors, and shall be subject to approval by the General Assembly of Shareholders.</p>
8	2) Audit Committee Members:	9.	<b>Audit Committee Members</b>

	1. Attendance fee per meeting: SAR 3,000. 2. Annual fixed remuneration per Committee member: As determined by the Board.	2	1. Attendance fee per meeting: SAR 3,000. 2. Annual fixed remuneration for the Committee Chairman: SAR 75,000. 3. Annual fixed remuneration per Committee member: SAR 50,000.
8	3) Members of Board Committees: 1. Attendance fee per meeting: SAR 3,000.	9. 3	<b>Nomination and Remuneration Committee Members</b> 1. Attendance fee per meeting: SAR 3,000. 2. Annual fixed remuneration per external Committee member: SAR 30,000.
-	<b>[Paragraph introduced]</b>	9. 4	<b>Executive Committee Members</b> 1. Attendance fee per meeting per Committee member: SAR 3,000.

Article eleven to thirteen

Voting on the business and contracts with related parties

**To the Shareholders  
United Wire Factories Company  
(Joint Stock Company)**

**Limited assurance report on the declaration submitted by the Chairman of the Board of Directors  
to the shareholders of United Wire Factories Company**

We have undertaken a limited assurance engagement in respect of the accompanying declaration of statement of work and contracts concluded between United Wire Factories Company (a joint stock company) (the "Company") and the directors, directly or indirectly, of the Company (the "Declaration") for the year ended 31 December 2024 to be submitted by the Chairman of the Board of Directors (the "Board") of the Company in accordance with the applicable criteria mentioned below so as to comply with the requirements of Article 71 of the Regulations for Companies.

**Subject matter**

The subject matter for our limited assurance engagement is the Declaration prepared by the management of the Company and approved by the Chairman of the Board as attached to this report and submitted to us.

**Criteria**

The applicable Criteria is the requirements of Article 71 of the Regulations for Companies issued by the ministry of commerce which states that any member of the Board with any interest, both directly or indirectly, in the work or contracts made with the Company shall declare such interests for the approval of the General Assembly of the Shareholders of the Company. The Board member must notify the Board of such interest and refrain from voting in the vote by the Board to approve such work or contracts. The Chairman of the Board will notify the General Assembly of the Shareholders of work and contracts in which a member of the Board has a direct or indirect interest.

**Management's responsibility**

The management of the Company is responsible for the preparation of the Declaration in accordance with the Criteria and ensuring its completeness. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the Declaration that is free from material misstatement, whether due to fraud or error.

**Our Independence and Quality Control**

We have complied with the independence requirements of the code of professional conduct and ethics, as endorsed in the Kingdom of Saudi Arabia, and the ethical requirements that are relevant to our limited assurance engagement in the Kingdom of Saudi Arabia, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control 1, as endorsed in the Kingdom of Saudi Arabia, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

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**Limited assurance report on the declaration submitted by the Chairman of the Board of Directors to the shareholders of United Wire Factories Company (continued)****Our responsibility**

Our responsibility is to express a limited assurance conclusion on the Declaration based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' ("ISAE 3000"), as endorsed in the Kingdom of Saudi Arabia. This standard requires that we plan and perform this engagement to obtain limited assurance about whether anything has come to our attention that causes us to believe that the Company has not complied with the applicable requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration, for the year ended 31 December 2024.

The procedures selected depend on our judgment, including the assessment of risks such as failure of systems and controls, whether due to fraud or error. In making those risk assessments, we consider internal controls relevant to the Company's compliance with the requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration. Our procedures included examining, on a test basis, evidence supporting systems and controls in respect of the preparation of the Declaration in accordance with the requirements of Article 71 of the Regulations for Companies.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

**Summary of work performed**

We have planned and performed the following procedures to obtain limited assurance over the Company's compliance with the requirements of Article 71 of the Regulations for Companies in the preparation of the Declaration:

- Discussed with the management the process for obtaining business and agreements by any of the Board members with the Company.
- Obtained the accompanying Declaration that includes the lists of all transactions and agreements entered into by any of the Board members of the Company, either directly or indirectly, with the Company during the year ended 31 December 2024.
- Reviewed the minutes of the Board meetings that indicates the Board member notified the Board on the transactions and agreement entered into by the Board member during the year ended December 31, 2024 and that the concerned Board member did not vote on the resolution issued in this regard at the meetings of the Board.
- Checked that the claims paid were in relation to the above transactions and agreements approved as per the process described above; and
- Reviewed the consistency of the transactions and contracts included in the Declaration with the disclosure in Note 8 to the audited financial statements for the year ended 31 December 2024.

**Inherent limitations**

Our procedures regarding systems and controls relating to the preparation of the Declaration in accordance with the requirements of the 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.

**Limited assurance report on the declaration submitted by the Chairman of the Board of Directors to the shareholders of United Wire Factories Company (continued)****Inherent limitations (continued)**

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement under ISAE 3000, 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, as endorsed in the Kingdom of Saudi Arabia 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 year ended 31 December 2024 and should not be seen as providing assurance as to any future date or periods, as changes to systems or controls may alter the validity of our conclusion.

**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 relation to the preparation of the Declaration of related party transactions for the year 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 Chairman of the Board in fulfilling its reporting obligation 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 to be distributed to or otherwise quoted or referred to, without our prior consent to any other parties other than the Ministry of Commerce, Capital Market Authority and the shareholders of the Company.

**RSM Allied Accountants Professional Services****Mohammed Bin Farhan Bin Nader**

License No. 435

Khobar, Saudi Arabia

Shawwal 9, 1446 (corresponding to April 7, 2025)





Date 19 Shaban 1446H

Corresponding to 18 Feb 2025G

To the shareholders of United Wire Factories Company

With reference to the independent limited assurance report issued by the external auditor – RSM (attached). According to article (71) of Companies Law, about dealing related during the fiscal year ending 12/31/2024G.

Company Name	Nature of relationship
A1 Fence Arabia Company for Industry	Sales / Purchases / Loan
Rumooz Alfakherah for Trading Company	Sales

The following is an explanation of the transactions between Aslak Company and related parties:

Company Name	Relationship type	Type of transaction	The total value of the transaction during the fiscal year 2024G / SR	Balance as of 31/12/2024G / SR
A1 Fence Arabia Company for Industry	Aslak owned 30% of A1 Fence Share Capital, they are a member of its Board of Directors, Mr. Abdullah Saad Aldosari (member of the Board of Directors of Aslak) and Mr. Nabeel Hassan Alameer (CEO of Aslak).	Sales	8,959,903	956,566
A1 Fence Arabia Company for Industry	Aslak owned 30% of A1 Fence Share Capital, they are a member of its Board of Directors, Mr. Abdullah Saad Aldosari (member of the Board of Directors of Aslak) and Mr. Nabeel Hassan Alameer (CEO of Aslak).	Purchases	58,554,242	
A1 Fence Arabia Company for Industry	Aslak owned 30% of A1 Fence Share Capital, they are a member of its Board of Directors, Mr. Abdullah Saad Aldosari (member of the Board of Directors of Aslak) and Mr. Nabeel Hassan Alameer (CEO of Aslak).	Loan	11,250,000	11,250,000
Rumooz Alfakherah for Trading Company	A company in which two of Aslak biggest shareholder own in Rumooz share capital: Mr. Muhammed Alrasheed and Mr. Ahmed Alrasheed	Sales	4,458,345	642,776



As shown, Aslak dealings with related parties are conducted within the same framework as its dealings with customers and suppliers, without any preferential or exceptional conditions. The Board also confirms that no damage occurred to shareholders as a result of such dealings. As mentioned above, there are no direct or indirect dealings or contracts with other related parties, including members of the Board of Directors, Committees of Director, or Executive Managers, during the fiscal year ending 12/31/2024G.

We would also like to take AGM's approval of the contracts mentioned above for another year according to the main activity of the company.

An external auditor was assigned to present a report regarding this case as required by regulations and according to the standards set by Saudi Organization for Chartered and Professional Accountants (SOCPA).

And the Board of Directors recommends the approval of these documents.

Chairman of Board of Directors



Khaled Saad Alkanhal