



Charter of the Audit Committee



	مجموعة سيرا القابضة SEERA GROUP	Approval	2.0	Date	11/06/2023
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Definitions:

The following terms and expressions shall have the meanings assigned to them hereunder, unless the context requires otherwise:

Terminology List:

Term	Definition
Conflict of Interests	Means a conflict between the personal interests and the company's interests that affects the performance of a member in the BoDs, its Committees, Executive Management or other employees of the Company when dealing with the company or with other stakeholders in their job and professional duties and responsibilities with objectivity, integrity and impartiality, whether actual, apparent or potential conflict.
Issues Affecting Independence	<p>If he/she holds five percent or more of the shares of the Company or any other company within its group; or is a relative of who owns such percentage.</p> <p>If he/she is a relative of any member of the Board of the Company, or any other company within the Company's group;</p> <p>If he/she is a relative of any Senior Executive of the Company, or of any other company within the Company's group;</p> <p>If he/she is a Board member of any company within the group of the Company for which he/she is nominated to be a Board member.</p> <p>If he/she is an employee or used to be an employee, during the preceding two years, of the Company or a company within its group, or if he/she held a controlling interest in the Company or any party dealing with the Company or any company within its group, such as external auditors or main suppliers during the preceding two years.</p> <p>If he/she has a direct or indirect interest in the businesses and contracts executed for the Company's account.</p> <p>If the member of the Board receives financial consideration from the Company in addition to the remuneration for his/her membership of the Board or any of its Committees exceeding an amount of (SAR 200,000) or 50% of his/her remuneration of the last year for the membership of the board or any of its Committees, whichever is less.</p> <p>If he/she engages in a business where he competes with the Company, or conducting businesses in any of the company's activities.</p> <p>if he/she served for more than nine years, consecutive or inconsecutive, as a Board member of the Company.</p> <p>Unless the Nominations Committee considers otherwise, the businesses and contracts with the board member to meet his/her personal needs shall not be deemed as an interest that affect the independence of the board member which require an authorisation from the ordinary general assembly, provided that such businesses and contracts are carried out in the same conditions and settings followed by the Company with all contractors and dealers, and that such businesses and contracts must be within the normal course of the Company's activities.</p>

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List of Abbreviations:


Abbreviation	Meaning
Co.	Seera Holding Group
BoD.	The Board of Directors of Seera Holding Group
Chairman	Chairman of of Seera Holding Group
Committee	The Chairman of the Audit Committee of the BoDs.
CEO	Chief Executive Officer of Seera Holding Group
Member	The Committee Members, referred to collectively as "Members"
Charter	The Charter of the Audit Committee
Secretary	The Secretary of the Audit Committee

Introduction:

The Company's General Assembly issues this Charter in response to the proposal of the BoDs that is keen that Directors' keenness that all Company Departments carry out the tasks and responsibilities entrusted to them for the benefit of the company and shareholders interests; and based on the proposal of the Board of Directors, the BoDs has issued the Audit Committee Charter to set out the rules and standards adopted in the work of the Committee and the conditions for membership. Including:

Article (1) Composition of the Audit Committee:

1. The Audit Committee shall be composed by a resolution issued by the BoDs, from Shareholders or not;
2. The Committee Members shall not have any executive member;
3. The Committee Members shall not be less than 3 members and not exceeding 5 members
4. The Audit Committee shall has at least one independent member;
5. The Audit Committee shall has finance and accountant member;
6. A person who works or was working during the past two years in the executive or financial management of the company, or with the company's auditor, may not be a member of the Audit Committee.
7. The Chairman of the Board of Directors may not be a member of the Audit Committee.
8. The Board has the right to re-elect the Committee, increase or replace its members, or restrict or increase its jurisdiction or powers.
9. In case of a vacancy in the Audit Committee, the Audit Chairman may propose temporary members after the approval of the Company's BoDs;


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10. A member of the audit Committee may not be a member of Audit Committees in more than five joint-stock companies listed in the market at the same time.
11. The decision to form the Committee is made as follows:
 - Members names
 - Committee Membership
 - Committee Powers and Authorities, in addition to the authorities set out in this Charter or authorities approved by the BoDs, as may be amended, restricted or increased from time to time.
12. The board may recommend the Committee Chairman within the formation decision, or entrust the Committee to nominate it by a majority vote of its members, and the appointment is made by the board of directors.
13. A Committee member must exercise due diligence in order to carry out the work entrusted to him/her, and to keep abreast of recent developments related to the Company's business.
14. The member of the Committee must be impartial, truthful, objective, independent, fair, devoid of personal interests, and committed to confidentiality. These matters are taken into account when appointing a Committee member or during the member's performance of his/her duties.

Article (2) Powers of the Committee:

The Audit Committee shall be competent in monitoring the Company's activities and ensuring the integrity and effectiveness of the reports, financial statements and internal control systems. The duties of the audit Committee shall particularly include the following:

1. Financial Reporting:
 - Studying the Company's interim and annual financial statements before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness and transparency;
 - Providing its technical opinion, at the request of the Board, regarding whether the Board's report and the Company's financial statements are fair, balanced, understandable, and contain information that allows shareholders and investors to assess the Company's financial position, performance, business model, and strategy;
 - Analysing any important or non-familiar issues contained in the financial reports;
 - Accurately investigating any issues raised by the Company's chief financial officer or any person assuming his/her duties or the Company's compliance officer or external auditor;
 - Evaluate and inspect the adequacy of the Company's internal accounting laws and financial regulations;
 - Examining the accounting estimates in respect of significant matters that are contained in the financial reports; and
 - Examining the accounting policies followed by the Company and providing its opinion and recommendations to the Board thereon.
2. Internal Audit:
 - Examining and reviewing the Company's internal and financial control systems and risk management system;
 - Reviewing and adopting the internal audit plan;


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- Monitoring and overseeing the performance and activities of the internal auditor and internal audit department of the Company to ensure the availability of the necessary resources and their effectiveness in performing the assigned activities and duties.
 - Study internal audit reports and follow up the implementation of corrective actions for the notes contained therein.
 - Review the Audit Committee Charter.
 - Review the Internal Audit Charter.
 - Providing a recommendation to the Board on appointing the manager of the internal audit unit or department, or the internal auditor and suggest his/her remunerations. In case of assigning an external auditor, the Committee shall inspect the offers and submit the appointment recommendation to the BoDs.
3. External Auditor:
- Providing recommendations to the Board to nominate external auditors, dismiss them, determine their remunerations, and assess their performance after verifying their independence and reviewing the scope of their work, the terms of their contracts and the effectiveness of the audit activities;
 - Reviewing the plan of the Company's external auditor and its activities, and ensuring that it does not provide any technical, administrative or consulting works that are beyond its scope of work, and provides its opinion thereon;
 - Responding to queries of the Company's external auditor; and
 - Reviewing the external auditor's reports and its comments on the financial statements, and following up the procedures taken in connection therewith.
 - verifying the independence of the external auditor, its objectivity, fairness, and effectiveness of the audit activities, taking into account the relevant rules and standards;
4. Ensuring Compliance:
- Reviewing the findings of the reports of supervisory authorities and ensuring that the Company has taken the necessary actions in connection therewith;
 - Reviewing the results of the regulatory authorities' reports and verifying that the company has taken mandatory measures in this regard.
 - Ensuring the Company's compliance with the relevant laws, regulations, policies and instructions;
 - Reviewing the contracts and proposed Related Party transactions, and providing its recommendations to the Board in connection therewith; and
 - Reporting to the Board any issues in connection with what it deems necessary to take action on, and providing recommendations as to the steps that should be taken.

Article (3) Competencies, powers and responsibilities of the Audit Committee:

The Company shall have the following competencies:


1. To access the Company's Records and documents;
2. To request any clarification or statement from the members of the Board of Directors or the Executive Management.
3. To request the Board of Directors to convene the General Assembly of the company if the Board of Directors impedes its work or if the company suffers serious damage or losses.

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4. The Committees may seek assistance from any experts or specialists, whether internal or external, within the scope of its powers. This shall be included in the minutes of the Committee meeting; the minutes states the name of the expert and his relation to the Company or its Executive Management.

Article (4) Competencies, powers and responsibilities of the Audit Committee Chairman

- The Audit Committee Chairman shall have the following key tasks and duties:
 1. Inviting the Committee to convene and fixing the time, date and place of each meeting of the Committee and the agenda.
 2. Overseeing the planning and conduct of Committee meetings; Including approval of agendas and meeting minutes.
 3. Presiding the meetings, and the Committee chairman shall appoint someone to act on his behalf in the Committee meetings in his absence, and the Committee shall not convene without the presence of the chairman or his representative.
 4. Ensuring that the executive management of the company provides the Committee with appropriate information to enable it to carry out its responsibilities.
 5. Preparing periodic reports on the activities of the Committee and presenting them to the Committee in preparation for submitting them to the board of directors.
 6. Ensuring that all items requiring Committee approval or recommendations to the Board are appropriately scheduled.
 7. Supervising the submission of reports and oral presentations to the Board from the management, accompanied by recommendations, if any, for approval at the first regular meeting following the Committee meeting, as per the request of the Board of Directors and any other party that requires that.
 8. Representing the Committee before the Board of Directors or any other party that requires that.
 9. Participation in the appropriate selection of Committee members.
 10. Supervising the annual evaluation of the Committee's performance in cooperation with the Chairman of the Board.
 11. Ensuring that the Committee can communicate directly with members of the executive management, as may be required by the Board of Directors.
- Main duties and roles of the Committee Members are:
 1. Attending Committee meetings and notify the Committee chairman - or his/her representative - if he/she is unable to attend.
 2. Maintaining the confidentiality of meetings, documents obtained, dialogues and discussions in meetings, and not disclosing company secrets, including operational secrets and professional secrets that were learned during his work in the Committee.
 3. Obtaining sufficient skills and training necessary to participate in the implementation of the Committee's affairs.
 4. Effective participation in and voting on Committee decisions.

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Article (5) Committee Membership:

The Committee shall be reconstituted by the Board of Directors upon the expiration of its membership term, and its membership term shall be determined by the formation decision, provided that it does not exceed (4) four years or the remaining period of the Board of Directors term (whichever is earlier).

- Membership in the Committee ends in the following cases:
 - Death.
 - The expiry of the committee membership term.
 - Termination of the membership of the member in the Board of Directors.
 - The term of the board of directors ends.
 - Exempting the member at his request.
 - The member's absence from attending three or five separate meetings without an excuse acceptable to the Board of Directors.
- In the event that the membership of a Committee member ends for any of the above reasons, the Board of Directors shall nominate replacement member to complete the term of his predecessor.

Article (6) Committee Meetings:

- The Committee shall be convened at the invitation of its chairman in a periodic manner sufficient to carry out its tasks effectively as needed to carry out its tasks, provided that the meetings of the committee shall not be less than (4) four meetings during the financial year of the company, and a meeting may be held if the need arises.
- Meetings can also be attended in person or by telephone or modern video communication.
- The committee shall invite whomever it deems to be non-members, including specialists, consultants, and executives, to attend its meetings, without having the right to vote, and without having the right to access confidential information or data, except within the limits of what achieves the purpose of his attendance.
- The committee meets regularly with the company's external auditor and the company's internal auditor.
- The internal auditor and the external auditor may request a meeting with the committee whenever the need arises.
- No member of the Board of Directors or the executive management, except for the secretary and members of the committee, is entitled to attend its meetings unless the committee requests to hear his opinion or obtain his advice.

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Article (7) Quorum and Voting:

1. The quorum for any meeting of the Committee shall be fulfilled by the attendance of the majority of its members, including the Chairman of the Committee.
2. In case of votes tie, the Chairman shall have the casting vote.
3. The committee may issue its decisions by circulation by presenting them to all members separately for deliberation, unless one of the members requests in writing to hold a meeting to deliberate on those decisions, and the decisions are presented to the committee at its first meeting.
4. The committee secretary is not entitled to participate in or vote on any of the committee's decisions.

Article (8) Appointment and functions of the Secretary:

The secretary of the committee shall be appointed and shall be exempted by a decision of the Committee who has neutrality and sufficient qualifications from the employees of the company to carry out the functions of the secretariat so that his term of membership is equal to the term of membership of the committee while retaining the right of reappointment. His work shall also be supervised and evaluated by Committee. The secretary shall undertake the following tasks:


1. Preparing the tentative schedule of the sessions of the Committee at the beginning of the fiscal year by working to provide the necessary information, records, and documents.
2. Coordinating with the Governance Department and the Secretary of the Board to notify the Authority of the names of the members of the Committee and the qualities of their membership within five working days from the date of their appointment, and any changes thereto within five working days from the date of the changes.
3. Drafting, publishing financial disclosures "Financial Statements – Financial Results" annually, and quarterly as decided by the Committee and in accordance with the relevant regulations, decisions, and instructions.
4. Preparing correspondence and sending invitations for Committee meetings to members and persons invited to attend meetings at least ten (10) working days in advance for non-emergency meetings.
5. Preparing and circulating the agenda of the meetings of the Committee to the members of the Committee at least ten (10) working days in advance of the meetings.
6. Preparing the minutes of the meetings, signing them by the members, informing them to the concerned parties, and keeping and archiving them.
7. Ensure that the members of the committee comply with the provisions of the regulation, and provide advice to the committee in this regard.
8. Following up the work of the Committee and recording the minutes of its meetings, taking into account the establishment of a special register for that in consecutive numbers for the fiscal year in which the meetings were held. The minutes shall indicate the place of the meeting, the date, the number of its meetings, the hour of the beginning and end of each session, and the discussions and deliberations that took place at the meeting, including the voting on the resolutions. The Secretary shall be responsible for completing all the previous requirements, especially the signatures of the members.

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9. The secretary - taking into account the provisions of the previous paragraph - shall record each case of absence from the committee meetings, indicating the reason for the member's absence and the number of times he was absent during the same session, and this shall be attached to the meeting minutes.
10. Keeping all the minutes and records of the meetings of the Committee and working on their classification so that it is easy for members to refer to them at any time.
11. Verifying that the committee members follow the established procedures and that the conditions for passing are provided in the event that decisions are taken by way of circulation, and conducting the necessary communications to coordinate with the members in this regard.
12. Preparing the necessary documents and documents in the meeting agenda.
13. Preparing periodic reports to be sent to the Board of Directors on the decisions issued by the Committee and the measures taken to implement them, in addition to preparing a summary thereof for the Committee.
14. Maintaining the agenda of the Committee and directing its activities to be implemented, including submitting proposals to the Committee on making amendments to the agenda when necessary.
15. Carrying out any other tasks assigned to him by the Committee Chairman.
16. Following up on the implementation of the committee's recommendations.

Article (9) Minutes of Committee Meetings:

1. The meetings of the committee shall be documented and minutes prepared for them, including the discussions and deliberations that took place, documenting the recommendations of the committee and the results of the voting, keeping them in a special and organized register, indicating the names of the members present and the reservations they made – if any –, and signing these minutes from all members as follows:
 - The deliberations, decisions and recommendations of the discussions at the meeting shall be documented by the Secretary.
 - Minutes of deliberations, decisions and recommendations shall be recorded in the form approved by the Committee, specifying a serial number for each of the minutes of meetings and decisions issued by the Committee. The minutes of the meetings shall include the date and place of the meeting and the names of the attendees and absentees. Discussions, deliberations and documentation of the recommendations and results of the voting at the meeting.
 - Any member objecting or reserving to any of the decisions or recommendations issued by the Committee may request that his objection or reservation to the decision or recommendation be recorded in a memorandum attached to the minutes.
2. The draft minutes shall be sent to the members of the Committee by electronic means such as e-mail to express their observations, if any, in preparation for the adoption of the minutes in its final form for signature by the Chairman and members of the Committee.
3. Members of the Committee shall submit their comments on the minutes of the meeting within (5) five working days from the date of receipt of the draft by the Secretary.
4. In the event that a member does not send his comments on the minutes within five (5) working days from the date of receipt of the draft minutes, the minutes shall be considered approved, and the minutes shall be signed at the next meeting or the electronic signature shall be approved.
5. In the event that any member, during the period mentioned above, makes a note of any decision contained in the minutes requesting in writing to discuss the subject again, the decisions or recommendations in question shall be discussed at the first meeting following the meeting for which the minutes are written.
6. The Secretary of the Committee shall amend the draft based on the observations of the members and send it together with those observations to the Chairman of the Committee.

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7. The Secretary shall then prepare the final draft based on the recommendations of the Chairman of the Committee and send it to the members of the Committee signed by the Chairman of the Committee and the Secretary, provided that the minutes and decisions are signed at the next meeting.
8. A copy of the minutes shall be kept with the relevant documents and correspondence in a private file with the Secretary.
9. All decisions agreed upon during the meetings of the Committee shall be recorded in a follow-up report containing the dates of implementation. The measures taken by the administration to implement those decisions shall be discussed at the meetings of the Committee. The Secretary shall maintain the said follow-up report and update it after each meeting of the Committee. This report shall be attached to the minutes of the meeting.
10. A copy of the minutes of the meeting of the Committee shall be sent to the Council enclosing the decisions taken for information at the first meeting of the Council after the meeting of the Committee.
11. The minutes of the meetings of the Committee and all related confidential documents and records may only be accessed by the members of the Committee, the Secretary, the members of the Board of Directors and the Secretariat of the Board. In the event that any external party requests access to the minutes of the meetings, this shall be based on sufficient justifications indicating the purpose of the access and its justifications, and based on the written approval of the Chairman of the Committee.

Article (10) Reports by the Committee:

1. The Committee shall make appropriate recommendations to the Board of Directors on matters within its competence that it deems necessary to take the necessary measures towards it or to make any improvements thereto.
2. The Committee shall prepare a periodic report on its work and submit it to the Board of Directors at least once a year.

Article (11) Invested Companies:

The tasks, responsibilities, powers and scope of work of the Committee in the invested companies shall be determined in accordance with the approved partner agreements, the applicable governance framework and the statute of the invested companies.


Article (12) Remuneration of Committee Members:

The remuneration of the Commission shall consist of sums of money and attendance allowances in accordance with the policy adopted by the General Assembly.

Article (13) Conflict of interest:

In order to enhance the performance of the Committee in line with the principles of transparency and accurate and timely disclosure of all matters related to the exercise of its competencies, which represents the most important pillars of governance in the company, the members of the Committee shall exercise their competencies taking into account the following:

1. The conflict of interest policies adopted in the company and notified to the members, which define the mechanisms and methods of disclosure to be followed by the Committee in accordance with the requirements of the relevant legislation.
2. Members of the Committee shall review the agenda of the meeting and disclose at the beginning of each meeting any cases or potential conflicts of interest, as shall be recorded in the minutes of the meeting.

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3. In the event of any conflict of interest, the Committee member concerned shall inform the Chairman of the Committee as soon as he becomes aware of such conflict. The member shall be exempted from participating in the discussions of the Committee on this item and shall not be entitled to vote on any decision related to this item. This applies in all cases, whether the conflict of interest is real or potential.
4. The Chairman of the Committee shall disclose any conflict of interest related to it by informing the Secretary before the start of the meeting, in which case the Chairman shall be exempted from participating in the discussion of the item or voting on it. The Secretary shall also inform the rest of the members of the Committee of the existence of this conflict.
5. All cases of conflict of interest shall be reported to the Board at its first meeting after the date of identification of such cases.
6. The members of the Committee shall abide by the regulations and policies adopted by the Company that govern the mechanism for dealing with conflicts of interest. The members shall also abide by all the rules contained in the Company's Code of Business Conduct.
7. A sufficient number of non-executive directors shall be appointed to the Committee to ensure the integrity of financial and non-financial reporting.
8. A member of the Committee shall not engage in any business or activities that are competitive with the company or its subsidiaries and that are not in breach of honor and honesty.

Article (14) Updating and validity of the regulation:

1. These regulations shall be reviewed whenever the need arises.
2. The Board shall have the sole authority to approve any amendments to these Regulations and shall then be approved by the General Assembly of the Company.
3. Any amendment restricting or increasing the competences and powers of the Committee shall result in an amendment to these Regulations.
4. The mechanism for updating the list begins with the Secretary, who submits the amendments to the Chairman of the Committee for recommendation, who in turn submits them for approval by the Council. It shall remain in force unless cancelled or amended by the General Assembly.

Article (15) Publishing and Enforcement:

This Regulation shall be effective from the date of its approval by the General Assembly.