

### **Disclosure, Transparency and inclusion in the market policy**

According to the governance system, the company is committed to all disclosure requirements that include the submission of financial reports and disclosure of the number of shares of the directors, executive officials, senior shareholders or shareholders in control. The company also discloses information about the directors including their CVs as well as names of different committees members and how they were formed. The board also verifies that all disclosures made by the company provide accurate, correct and not- misleading information and that the company financial reports are in conformity with the International standards for accounting and auditing and its requirements and the financial audited reports shall be distributed among shareholders. This was already done for the company has established primarily a disclosure and transparency committee and adhered to all disclosure requirements including the provision of financial reports and disclosure of a number of shares of directors, executive officials, senior shareholders and shareholders in control. The board also verifies that all disclosures made by the company provide accurate, correct and not- misleading information and that the company financial reports are in conformity with the International standards for accounting and auditing and its requirements. The audited financial reports of the fiscal year that ended on 31/12/2010, 31/12/2011, 31/12/2012, 31/12/2013, 31/12/2014, 31/12/2015 were published on the company website for the shareholders to review as the company is fully committed to apply the governance law with regard to all requirements of transparency and disclosure.

#### **Chairman of the board role:**

- Helps in directing the board with regard to the assembly policies, priorities and interests.
- Reviews the subjects of interest to the board with the CEO
- Monitors financial planning and financial reporting
- Plays a significant role in promotional activities and the development of capital resources
- Assesses the performance of the CEO in cooperation with the board
- Assesses the performance of the board in meeting its objectives in cooperation with the board
- Carry out other duties determined by the board.

### **Integrity:**

Rational government focuses on financial and moral (behavioral) integrity as a main pillar for governance. Moreover, all articles related to international and external control articles and financial control are among the important matters through which the company seeks guaranteeing the implementation of integrity.

### **Internal auditing:**

Rational government is established upon many pillars including accounting, accountability and measurement. The company management and the board are trying to make balance between growth and protection of the company assets. Auditors review to how extent objectives were met and laws and instructions are followed correctly.

### **Internal auditing plays an important role represented in the following tasks:**

- Providing the executive administration with a clear image about the work progress in the company as the internal auditor shall understand internal processes, controls and risks.
- Assessing the implementation of policies and procedures and the extent of the ethics and values of the company
- The internal auditing team is the eye through which the CEO, the board and the auditing committee monitors the actual performance of the company.
- Providing directions for the executive management, the board, auditing committee for the prevention of potential risks and assess the extent of commitment in applying the policies, procedures and behavioral and moral values
- The internal auditing team uses the appropriate methods for auditing, gives the team the required authorities for the team to guarantee the validity of data and information in the areas and departments that are considered important and critical to the company
- Direct contact with the auditing committee to make sure the company is using the data and facts in taking the right decision.
- Making sure of the existence of an internal auditing in the company no matter what is its size, and such internal audit shall be organized in a way that guarantees to the auditing committee or the company work groups monitoring all procedures and intervene regularly to review the work progress.

- Internal auditing always monitors the following:
  - Incidental expenses
  - Bank procedures
  - Paid accounts
  - Employees and payrolls
  - Purchases
  - Fixed amounts
  - Accounting
  
- The company must contract with an external independent auditing company which will be a fair monitoring eye that evaluates the financial position and the results of the company operations fairly
- The independent third party company shall verify the extent of the company implementation of the international accounting standards and clarify the procedures that should be done to do the amendments and guarantee the effective application.

(End)