



Board Committees

The Company’s Board, in accordance with the Company’s Bylaws and the Corporate Governance Regulations issued by CMA, and based on the best practices in the sector, has reformed its Committees to effectively and comprehensively support the performance of its functions, structured as follows:

- 1- **Nomination and Remuneration Committee**
- 2- **Audit Committee**
- 3- **Executive Management Committee**

The following is a summary of the functions, responsibilities, number of meetings, meetings’ schedules, and attendance records of their Members:

Nomination and Remuneration Committee

The main function of the Nomination and Remuneration Committee is to determine policies and procedures related to the nomination of the Board Members, its Committees’ Members, and the Executive Team Members, and to determine policies and procedures related to their remunerations. The functions of the Committee are as follows:

(A) Nominations:

- 1- Suggest clear policies and standards for membership of the Board and its Committees.

2- Set procedures to be followed if the position of a Member of the Board becomes vacant.

3- Support the Board in filling vacant positions on the Company’s Board or Committees, including the CEO position.

4- Follow sound nomination practices to improve the quality of recruitment.

5- Supervise the appointment, performance assessment, and dismissal of Senior Executives.

6- Ensure that an effective business model and an effective and high-level organizational structure are in place.

7- Oversee the development of succession plans for the Board and Executive Management; set clear plans and study challenges and risks associated therewith. While taking into consideration the candidates’ skills, knowledge, experience, independence, and background diversity. The succession planning program shall be studied at least annually, and reports thereon shall be submitted to the Board.

8- Prepare a description of the qualifications required for membership of the Board positions, and determine the amount of time that the Member must allocate to the activities and functions of the Board.
- 9- Determine the expected roles to be discharged by the Board Committees and Board Members.

10- Maintain a record of the skills and qualifications of each Member of the Board and Board Committees that will qualify them for such roles in order to ensure their ability to fulfil the responsibilities and tasks assigned thereto.

11- Review the structure and formation of the Board and the Executive Management and provide recommendations regarding changes that may be made.

12- Provide an assessment tool that enables the Chairman of the Board to evaluate the performance of the Board Members year-on-year, according to a set of skills required for such Members.



(B) Remuneration:

- 1- Draw clear policies regarding the remunerations of the Board Members, Board Committees’ Members and Senior Executives (CEO, Deputy CEO, CFO and COO) and submit the same to the Board for approval and signature.

2- Review the remuneration policy and compare it with the remuneration policies adopted by other similar companies. The Committee may seek the expertise of an external consultant to ensure that appropriate remuneration plans are in place. The Committee shall also seek to attract, motivate, reward, and retain Members of high integrity and superior ability who are focused on enhancing long-term shareholder value.

3- Review and clarify the relation between remunerations being paid and the applicable remuneration policy and highlight any material deviation from that policy. Board approval is required for any exceptions in that regard.
- 4- Provide recommendations to the Board in respect of the remuneration of its Members, the Committee Members and Executive Management, among others, in accordance with the approved policy.

5- Periodically review grades and salary ranges adopted by the Company to ensure that internal and external property rights are preserved at all times.

6- Recommend to the Board total amounts and annual cash rewards, the Employee Stock Purchase Plan (ESPP), and proportions of their allocation and distribution among the Company’s employees and Executive Management.

7- Determine a balanced and appropriate ratio between fixed, performance-related, immediate, and future bonuses.

Nomination and Remuneration Committee Members and Meeting Details 2024G

Name	Member Position	Type of Membership	2024 Meetings Attendance Record				
			First Meeting	Second Meeting	Third Meeting	Fourth Meeting	Attendance Rate
			03 / 06	06 / 26	10 / 17	12 / 16	
Massimo Ambrosio	Committee Chairman	Independent	√	√	√	√	100%
Abdullah Ahmed AlShehri	Member	Non-Executive	√	√	√	Absent	75%
Rakan Abdullah Abunayyan	Member	Non-Executive	√	√	√	√	100%
Ahmed Nasr AlHomoud	Member	Independent	Absent	√	√	√	75%
Ahmad Misfer AlGhamdi	Member	Independent	√	√	√	√	100%

*To view the biographies of the committee members, you can explore it as part of the Company's offering prospectus



Audit Committee

The main function of the Audit Committee is to verify the adequacy and effective implementation of the internal control system and to make any recommendations to the Board that would actuate and develop the system to achieve the Company's objectives. The functions of the Committee are as follows:

A. Financial Statements

- Oversee the arrangements for the completion of the year-end financial statements and compare them with the financial audit plan of the External Auditor (specifically, proposed audit scope and approach), including coordination of the financial statements' audit effort with the Internal Auditor.
- Review the audited financial statements covering the audit approach and accounting adjustments with the External Auditor, and recommend for improving the internal controls and any other significant audit findings to the Board. Review the External Auditor's comments on the financial statements and monitor the actions taken regarding them.
- Review the interim and annual financial statements prior to presenting them to the Board. In addition, the Auditor must study any significant and extraordinary matter included in the financial statements.
- Review with the Management and the External Auditor the effect of regulatory and accounting initiatives on First Milling Company' financial statements, and check the accounting estimates in significant and material matters mentioned in the financial statements.
- Regularly report to the Board any issues that arise with respect to the quality or integrity of the Company's financial statements, compliance with legal or regulatory requirements, and the performance and independence of the External Auditor.
- Prepare and present an annual report to shareholders that includes the structure and responsibilities of the Committee and any other information required, including its approval of services outside the scope of reviewing the financial statements.
- Review the Company's interim and annual financial statements, including the impact of any unusual items.
- At the request of the Board, provide an opinion as to whether the Board's report and financial statements are fair, balanced, and understandable and include information that allows shareholders and investors to evaluate the Company's financial position, performance, business model, and strategy.

B. Auditors

- On an annual basis, recommend to the Board the appointment, dismissal, and remuneration of the Company's External Auditors as well as report their independence and any other relevant matter.
- Review and confirm the independence of External Auditors by obtaining statements from the External Auditors on relationships between the External Auditors and the Company, including non-audit services, and discussing the relationships with the External Auditors.
- Review External Auditor's reports; work with and support the external auditors where practicable and provide an alternative communication link between the external auditors and the Board as and when needed; and review the actions taken in relation to what the external auditors report included.
- Annually review and evaluate the External Auditor's qualifications, performance, independence, objectivity, fairness, and effectiveness of the annual audit activities including a review and evaluation of the lead partner, taking into account the opinions of the Company Management and External Auditors, and present its conclusions to the Board. The Audit

Committee shall assure the regular rotation of the External Auditor as required under applicable laws and shall consider the regular rotation of the lead audit partner to assure continuing the Auditor independence that should be present.

- Review the terms, specifications, and remunerations and provide feedback regarding any special audit or consultancy assignment performed by the External Auditors.
- On a regular basis, meet with the External Auditors to discuss specific matters in private or to discuss any other matters that the Auditors deem necessary to discuss in a private and in confidential manner.
- At least once per year, review the performance of the Internal Auditor and concur on the annual compensation and salary adjustment, if required.
- Review the findings of any examinations done by regulatory authorities and any Auditor observations, and verify that the Company has taken the necessary measures in this regard.



C. Internal Audit

- With the Company's Management and Internal and External Auditors, review the Company's general policies and procedures to reasonably assure the adequacy of financial accounting principles and practices applied by the Company.
- Monitor and oversee the performance and activities of the Internal Auditor and the Internal Audit Department in the Company to ensure the availability of the necessary resources and their effectiveness in performing the tasks assigned to them.
- Review and analyze the internal control system and prepare a report about the adequacy of the Company's internal control system and other activities that it conducts within its competence. The Board shall make available sufficient copies of said report at the Company's Head Office at least twenty-one (21) days prior to the date set for the General Assembly meeting in order to provide each shareholder with a copy of said report.
- Ensure that First Milling Company formally sets the purpose, authority, and responsibility of the Internal Audit Department to provide and preview the ongoing assessments of the Company's operations and internal control system in coordination with the Executive Management and the Audit Committee.
- Study and review First Milling Company's internal control system and prepare a written report on its opinion regarding the adequacy thereof and other activities that it conducted within its competence. The Board shall make available sufficient copies of said report at First Milling Company's Head Office at least twenty-one (21) days prior to the date set for the General Assembly meeting in order to provide each shareholder with a copy of said report, which shall be read during the Assembly.
- Recommend to the Board the annual remuneration, performance appraisal, and salary adjustment of the Chief Audit Executive in line with the Company's compensation and benefits policy.
- Recommend to the Chairman of the Board the appointment and dismissal of the Chief Audit Executive.
- Oversee the Internal Audit Department and review its charter, scope, efficiency, independence, objectivity, performance, and work plan. Review with the Chief Audit Executive the results of the internal audit on a quarterly basis, or as deemed necessary, and view periodical and annual internal audit reports.
- Review the summary of all internal audit reports, including the Management replies and comments and the exceptions noted, and pursue the implementation of corrective measures and procedures.
- Supervise the Company's Internal Audit Department to ensure its effectiveness in executing activities and duties specified by the Board.
- Review and concur on the appointment, replacement, or dismissal of the Chief Audit Executive and ensure there are no unjustified restrictions or limitations.
- Review the effectiveness of the Internal Audit Department, including compliance with The Institute of Internal Auditors' International Standards for the Professional Practice of Internal Auditing.
- On a regular basis, meet separately with the Head of the Internal Audit Department to discuss any matters that should be discussed privately.
- The Head of the Internal Audit Department shall submit to the Board an annual report that includes the views of the Audit Committee.
- Study and review the internal and financial controls and risk management systems of the Company.
- Review the effectiveness of the internal control system for monitoring and the extent of compliance with laws and regulations, and the results of investigating and following up (including any disciplinary action) on any instances of noncompliance.
- Have the final authority to review and approve the annual audit plan and all major changes to the plan.
- Assess the matters that fall within its purview or those referred to the Committee by the Board and communicate its recommendations to the Board to issue decisions in connection therewith. The Audit Committee shall make decisions in regard to these matters if delegated by the Board, with the Board held liable for said decisions.
- Review any other reports issued by the Company related to the Committee's responsibilities.
- Perform other related activities as requested by the Board.
- Review with the Management the status of Zakat returns and tax issues.
- Evaluate the Audit Committee's and its Members' performance on a regular basis.



D. Risk Management

- Consider any significant relevant findings and recommendations made by the External Auditors and the Internal Audit Department, as well as the Management responses thereto, including consideration of the schedule for implementing recommendations to correct identified weaknesses in security controls and systems, including any significant risks related to key controls.
- Review coordinating audit efforts between the Internal Auditor and the External Auditors to ensure that the audit includes the main system controls and risk areas related to IT controls.
- Oversee the Company's risk management framework.
- Support the Board in setting up and monitoring Key Risk Indicators (KRIs) and related threshold levels and regularly review them in light of the Company's risk tolerance.
- Ensure the adoption of a written and comprehensive strategy, policies, and procedures for risk management commensurate in line with the size of the Company's activities, its complexity, structure, business model, and risks to which it is exposed, and verify the implementation of said strategy, policies, and procedures.
- Ensure that the Company's risk management framework is assessed and reviewed annually, or as needed, to ensure that risk management practices, design, and outputs are up-to-date and reflect the status quo of the Company.
- Establish an organizational structure for risk management, delegate responsibilities, update them when needed, and submit recommendations regarding the same and present them to the Board for approval.
- Ensure the availability of adequate risk management resources and systems.
- Verify the independence of the Risk Management Team from activities that may expose the Company to risk.
- Develop a common language for dealing with risks to ensure that all stakeholders in the Company

E. IT Systems Audit

- Review and consider the effectiveness of the Company's internal control and financial control systems, including the security and control of the information technology systems.
- Consider the effectiveness or weaknesses of

- have an understanding of the common terminology related to risks.
- Ensure continuous communication with all the Company's stakeholders and conduct a critical assessment of the Company's business strategies and plans from a risk perspective.
 - Oversee the implementation and periodical review of risk management processes and ensure the effectiveness of procedures used by the Company to identify, analyze, evaluate, and treat risks.
 - Review the Company's business continuity plan.
 - Provide administrative oversight of all prudential reviews and follow-up on any administrative procedures required within the relevant areas of business, as well as ensure that there is room for a more comprehensive and broader analysis of future risks, taking into account all trends.
 - Refer significant and emerging risks to the Board for consideration as appropriate.
 - Prepare detailed reports on the exposure to risks and the recommended measures to manage such risks and present them to the Board.
 - The Audit Committee has the power to appoint an independent lawyer and other advisors, as it deems necessary, to perform its functions.
 - Establish procedures for the receipt, retention, and handling of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, including procedures for the submission by Company employees of concerns regarding questionable accounting, auditing, or any other suspected matters.
 - The Audit Committee shall always be available to receive suggestions, questions, or recommendations from the External Auditors, Internal Auditor, and the Executive Management.

- the Company's information security controls and system.
- Examine the status and adequacy of management information systems and other information technologies.



F. Compliance

- Review the process for communicating and publishing the Code of Business Conduct to the Company personnel, and for monitoring compliance therewith.
- Ensure First Milling Company' compliance with relevant laws, regulations, policies, and instructions and report 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.
- Review the contracts and proposed related party transactions and provide its recommendations to the Board in connection therewith.
- Obtain regular updates from the Management and the Company's general counsel/ advisor regarding compliance matters.
- Raise issues to the Board where action is deemed necessary, and make recommendations for the actions to be taken.
- Follow-up on material, financial, ethical, or legal violations and any grave violations of the Company's policies, regulatory provisions, or Professional Code of Ethics violations, as highlighted by the Internal Auditor or any other employee.
- Oversee and direct any special investigations, as needed, concerning matters relating to the Company's financial statements, internal controls, compliance with laws, or business ethics.
- Review with the Management and External Auditors, all significant issues within the scope of the Committee's Charter, including any changes in accounting principles, prior to any decision being

- reached on reporting and practices to be followed by the Company, and report thereon to the Board.
- Prepare and publish its annual report to the Board and the General Assembly of Shareholders, as well as other reports required under relevant laws and regulations.
 - Prepare periodic reports to the Board on the activities of the Audit Committee and related issues and submit its recommendations.
 - Review and comment on significant additions or changes to existing policies and procedures adopted by the Management.
 - Examine the adopted accounting policies and provide opinions and recommendations to the Board.
 - Annually review and evaluate the adequacy of the Audit Committee's Charter and request the recommendation of the Board to facilitate its General Assembly approval of proposed changes and ensure appropriate disclosure, as required under laws or regulations.
 - Confirm annually that all responsibilities outlined in this Charter have been carried out.
 - Investigate any issues raised by the Company's CFO or whomever assumed the duties thereof, or the Company's Compliance Officer, or External Auditor, etc.
 - Respond to the queries of the Company's External Auditor.
 - Periodically report to the Board.

Audit Committee Members and Meeting Details in 2024G

Name	Member Position	Type of Membership	2024 Meetings Attendance Record						Attendance Rate
			First Meeting	Second Meeting	Third Meeting	Fourth Meeting	Fifth Meeting	Sixth Meeting	
			10/03	19/03	22/04	21/07	20/10	18/12	
Abdulrahman Sulaiman Al-Tariqi	Committee Chairman	Independent	√	√	√	√	√	√	100 %
Bassem Muhammad Bandari	Member	Independent	√	√	√	√	√	Absent	83.3 %
Muhammad Abdullah Al-Wabel	Member	Independent	√	√	√	√	√	√	100 %
Murad Ahmed AlKhatib	Member	Independent	√	√	√	√	√	√	100 %

*To view the biographies of the committee members, you can explore it as part of the Company's offering prospectus



Executive Management Committee

The Board Executive Committee shall be composed of Non-Executive Members of the Board, not less than three Members and no more than five Members. The Board shall appoint the Committee Members, and the Committee shall include at least one

- Assist the Board in fulfilling activities and functions delegated thereto by the Board, to facilitate the workflow of First Milling Company.
- Assist the Company Management in overcoming obstacles to the achievement of the Company's strategies, and ensure that the Company is suitably qualified and has the necessary resources and capabilities to implement the strategy approved by the Board.
- Play an important role in planning and studying the Company's annual business, and the budget preparation process, ensuring alignment between business plans, budgets and the Company's vision, mission and strategy.
- Review the Company's annual budget and recommend it to the Board.
- Ensure that the business complies with all legislative requirements, and adheres to the highest standards of quality, safety and security.
- Assure the Board that the Company is adequately resourced, and has the necessary capacity to meet its short, medium and long-term plans.
- Review and submit proposals to the Board regarding any acquisition or exit of shares in other companies.
- Assist the Board and Executive Management in forming or restructuring any joint venture or partnership, including any associated expenses, upon approval of the Board.
- Recommend to the Board the establishment of branches, agencies, subsidiaries, or new activities.
- Assess the capacity of the (business partner) in the projects carried out by the Company, if any.
- The CEO provides updates to the Committee regarding investment strategy and investment policies (subject to Board approval).
- Review capital investments and other new proposed ones to facilitate making investment-related decisions, compliance with investment policies and procedures, and refer to the Board for review and approval.
- Review and recommend the five-year business plans, operational plans, capital expenditure (CapEx) programs, and other studies or plans that will have a significant impact on the Company's operations.

Independent Member. The Chairman of the Board shall be the Committee Chairman if appointed as a Member thereof. The functions of the Committee are as follows:

- Monitor the performance of consultants at First Milling Company (if any) on a regular basis and retain or terminate their services, as the Committee deems appropriate.
- May conduct an investigation or studies on investment issues in First Milling Company, in accordance with the Committee's scope and responsibilities.
- May appoint an independent consultant or other consultants, as the Committee deems necessary, to improve its performance.
- The Chairman of the Executive Management Committee may, after discussion with the Committee Members, retain consultants appointed by the Committee to assist First Milling Company in carrying out its responsibilities, or terminate the contract with any of these consultants and terminate their services, as it deems appropriate.
- Discuss and make recommendations to the Board on any changes to the "Delegation of Authorities" and internal regulations.
- Discuss and advise the Board on initiating legal proceedings, pursuing judicial proceedings, or settling high-risk cases for the Company.
- Review and approve the minutes of previous Committee meetings and follow up on the decisions taken and documented in the minutes of previous Committee meetings in order to ensure that all points raised have been addressed.
- Develop an annual plan at the end of each year and a timetable for the Committee's activities in the following year. This shall include the Committee's regular meetings, meetings with the Management, and other activities in light of the Committee's roles and responsibilities, as set out in this Charter.



Executive Management Committee Members and Meeting Details in 2024G

Name	Member Position	Type of Membership	2024 Meetings Attendance Record											Attendance Rate
			First Meeting	Second Meeting	Third Meeting	Fourth Meeting	Fifth Meeting	Sixth Meeting	Seventh Meeting	Eighth meeting	Ninth meeting	Tenth meeting	Eleventh meeting	
			29/01	13/03	27/05	27/06	10/07	22/08	18/09	09/10	03/11	25/11	19/12	
Tariq Mutlaq AlMutlaq	Committee Chairman	Non-Executive	√	√	√	√	√	√	√	√	√	√	√	100 %
Abdullah Ahmed AlShehri	Member	Non-Executive	√	√	√	√	√	√	√	√	√	√	√	100 %
Murad Ahmed AlKhatib	Member	Independent	√	√	√	√	√	√	√	√	√	√	√	100 %

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Optimization Committee

The Optimization Committee is a standing committee of the Board of Directors. The directions, rules and approvals given by the Committee shall be in accordance with its Charter. The Optimization Committee shall be composed of Non-Executive Members of the Board, not less than three Members and no more than five Members. The Board

shall appoint the Committee Members, and the Committee shall include at least one Independent Member. The Chairman of the Board shall be the Committee Chairman if appointed as a Member thereof. The functions of the Committee are as follows:

- Review and recommend for approval of the Board the five-year development plans and guiding policies related to maintaining, optimizing, or developing the Company plants.
- Review and recommend for approval of the Board all annual plans and budgets for plant modernization, supply chain activation, and materials sourcing or processing, including the performance optimization of all plants, supply chain activities, its related systems, and people capabilities.
- Review and recommend to the Board any vertical or horizontal mergers plans and investments related

to all plants, supply chain activities, its related systems and people capabilities, including the acquiring of new plants or modernizing the existing ones, and the detailed implementation timeline.

- Review and approve the automation, standardization, streamlining, or maintaining ongoing operational activities that may impact the plants' performance or the supply chain and procurement processes. This includes but not limited to the revision of existing systems and people capabilities.

Optimization Committee Members and Meeting Details in 2024G

Name	Member Position	Type of Membership	2024 Meetings Attendance Record				Attendance Rate
			First Meeting	Second Meeting	Third Meeting	Fourth Meeting	
			05/02	14/08	22/08	19/11	
Massimo Ambrosio	Committee Chairman	Independent	√	√	√	√	100%
Rakan Abdullah Abunayyan	Member	NonExecutive	√	√	√	√	100%
Essa Abdulla AlGhurair	Member	NonExecutive	√	√	√	√	100%

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The Board of Directors of First Milling Company resolved to dissolve the Committee at its fourth meeting held on 23rd December 2024G, as its works and objectives had been fulfilled.