



Board Audit Committee report
2024

Committee Chairman speech

Dear Shareholders,

On behalf of the Board, I am pleased to present the Audit Committee report to provide the shareholders with an insight into the work of the Committee. I would like to thank the Board of Directors, executive management, and the employees for their hard work and dedication for the whole year.

The Board Audit Committee's role includes overseeing the quality and integrity of accounting practices, auditing, internal control, risk management framework, financial reporting, and the overall corporate governance framework.

In 2024, the Committee met 4 times which will be summarized in the Audit Committee report. The details of the meetings are as follows:

Meeting Number	Date
01/2024	06/03/2024
02/2024	13/05/2024
03/2024	06/08/2024
04/2024	10/11/2024

Thank you for being part of our Annual Shareholders Meeting.

Mr. Nasser Suleiman Al-Harthy

Audit Committee Chairman

Board Audit Committee

Formed: 09 June 2011

Term: The membership period is the same as the term of the Board of Directors and not more than three years, renewable.

Members

Sr. No.	Name	Position
1.	Mr. Nasser Suleiman Al Harthy	Chairman of Zain Board Audit Committee
2.	Mr. Alladin Abdullah Baitfadhil	Vice Chairman of Zain Board Audit Committee.
3.	Mr. Abdulrahman Mohammed Al Asfour (independent)	Board Audit Committee Member
4.	Mr. Yousef Khaled Al-Abdulrazzaq	
5.	Mr. Saad Alnahedh (independent, appointed 07 Aug 2024)	

Number of meetings

Name	Meeting 1/2024 6 Mar 2024	Meeting 2/2024 13 May 2024	Meeting 3/2024 6 Aug 2024	Meeting 4/2024 10 Nov 2024	Attendance Percentage
Mr. Nasser Suleiman Al-Harthy	✓	✓	✓	✓	100%
Mr. Aladdin Baitfadhil	✓	✓	✓	✓	100%
Abdulrahman Al Asfour (independent)	✓	✓	✓	✓	100%
Yousef Khaled Al-Abdulrazzaq	✓	✓	✓	✓	100%
Mr. Saad Alnahedh (independent)	N/A	N/A	N/A	✓	100%
Attendance Percentage	100%	100%	100%	100%	

Objective

The main objective of the Audit Committee is to oversee the quality and integrity of the company's accounting, auditing, internal control, risk management framework, financial reporting, and overall governance framework as well as compliance with applicable legal and regulatory requirements.

Roles and responsibilities

- 1- Overseeing the quality and integrity of accounting practices, auditing, internal control, risk management framework, financial reporting, and the overall corporate governance framework.
- 2- Evaluate the performance and qualifications of the licensed independent auditor (the external auditor).
- 3- The firm's relationship with external auditors.
- 4- The overall performance of the company's internal audit unit.
- 5- Ensuring compliance with applicable laws and regulations

Main activities performed in 2024

Internal audit

- Reviewed, updated and approved the existing three-year Internal Audit plan that covers all operations and approved policies.
- Monitored the performance of the Internal Audit department for the year 2024, including approval of changes in the Internal Audit plan.
- Followed up with the Internal Audit department quarterly and, overviewed the timely implementation of action plans agreed in the Internal Audit reports.
- Reviewed the risk assessment of the subsidiaries that was performed by the Internal Audit department including the new entities incorporated. This served as the basis for the preparation of the Internal Audit plan for 2025. The audit plan was discussed with Group and subsidiaries' executive management and was subsequently approved by the Audit Committee.
- Evaluated the performance of executive management in closing Internal Audit recommendations.
- Evaluated the performance of Chief Internal Auditor.
- Reviewed the rationale of requests for any change or delay in the implementation of action plans initially agreed in Internal Audit reports.
- Reviewed the Internal Audit Charter.
- Followed up on the Internal Audit roadmap.

External Audit and Financial Reporting

- Recommended the reappointment of the company's external auditors for 2025 to the Board of Directors.
- Reviewed the audited Zain Group's consolidated financial statements quarterly; discussed them with executive management and provided recommendations to the Board.
- Met with the external auditor quarterly, to review and discuss the external auditor's report on the financial and operating performance of the Group.

Internal Control

- Assigned an independent office to review the internal control system.
- Reviewed the Internal control report issued by the independent external auditor.

Governance and Compliance

- Oversight, review and monitor the whistleblowing policy.
- Recommended a new organizational reporting line for the Compliance area.
- Monitored the cases and correspondences the company received from authorities and government bodies.

Looking forward

Ethical practices and Corporate culture: The Audit Committee will continue to uphold the organization's ethical standards and promote a strong corporate culture. A practical example of ethical assurance is that the internal audit department takes into consideration, in accordance with the Global Internal Audit Standards, the organization's ethical expectations when performing all their audits: in the event internal auditors identify behaviors within the organization that would be inconsistent with the organization's ethical expectations, they must report the concern according to applicable policies and procedures.

Technology adoption: The Audit Committee has started and will continue using advanced technologies such as data analytics, process mining, automation and AI in the Internal Audit process, which will help enhancing the Internal Audit department's efficiency, risk identification, and audit effectiveness.

Internal Audit: The Internal Audit plan now incorporates the main subsidiaries, based on a yearly risk assessment. This process is continuous and will incorporate / remove subsidiaries to / from the Internal Audit plan after due consideration from the Internal Audit department. Such changes in the Internal Audit plan are approved by the Audit Committee.

Financial reporting and transparency: The Audit Committee will maintain the integrity of financial reporting, which remains a crucial aspect of the audit committee's responsibilities.

Regulatory compliance and reporting: The Audit Committee will remain vigilant in monitoring changes in regulatory requirements and will focus on ensuring that the organization remains compliant with evolving regulations and standards, including those related to financial reporting and data privacy.