

Assembly General Meeting
Held on Wednesday 23 Thul-Qi'dah 1443
Corresponding to 22 June 2022
At 6:30 PM
Through Modern Technology Means (Virtual)
From the Company HQ at Daiwan Al-Maarifa
King Abdulaziz Road, Al-Madinah Al-Munawwarah

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**Knowledge Economic City Company Announcement
On inviting its Shareholders to Attend the
Ordinary Assembly General Meeting (the First Meeting)**

ELEMENT LIST	EXPLANATION
Introduction	Knowledge Economic City Company's (the Company) Board of Directors is pleased to invite the company's shareholders to attend the Ordinary Assembly General meeting (first meeting), which will be held on Wednesday 23 Dhul-Qa'dah 1443 corresponding to 22 June 2022 at 6:30 pm via modern technology means (Virtual) from the company's headquarters in Diwan Al-Maarifa in Al-Madinah Al-Munawwarah.
City and Location of the General Assembly's Meeting	Through modern technology means (Virtual) from the company's headquarters in Diwan Al-Maarifa in Al-Madinah Al-Munawwarah.
URL for the Meeting Location	https://www.tadawulaty.com.sa
Date of the General Assembly's Meeting	Wednesday 23-11-1443H Corresponding to 23-6-2022
Time of the General Assembly's Meeting	18:30
Attendance Eligibility	The eligibility to participate in the general assembly meeting and to vote electronically using Tadawulaty System on the meeting's agenda will be for shareholders that are registered in Knowledge Economic City's shareholders register at the Securities Depository Center (Eadaa) as of the end of the trading session on the general assembly meeting day, and as per the relevant rules and regulations.
Quorum for Convening the General Assembly's Meeting	The ordinary general assembly meeting shall be valid only if shareholders representing at least one quarter of the company shares are in attendance. If the required quorum is not satisfied, a second meeting shall be held one hour after the expiration of the designated period for convening the first meeting. The second meeting shall be valid regardless of the number of shares represented therein.
General Assembly Meeting Agenda	Attached
Proxy Form	Attached
E-Vote	Shareholders who are registered in the Tadawulaty system may vote electronically on the general assembly meeting's agenda. Electronic voting will start at 10:00 AM on Saturday 19 Dhul-Qa'dah 1443 corresponding to 18 June 2022 and will continue until the general assembly meeting is concluded. Voting and registration in the Tadawulaty system are provided free of charge to all shareholders through Tadawulaty's website https://www.tadawulaty.com.sa .
Eligibility for Attendance Registration and Voting	Eligibility for registering the attendance of the General Assembly's meeting ends upon the start time of the General Assembly's Meeting. Eligibility for voting on the meeting agenda ends once the counting committee concludes counting the votes.
Method of Communication	For inquiries, please contact Shareholders' Affairs through Tel. 014-8651010 ext. 4059 or 4045, fax 014-865-4040, email: info@madinahkec.com .

**Assembly General Meeting
Held on Wednesday 23 Thul-Qi'dah 1443
Corresponding to 22 June 2022
At 6:30 PM Through Modern Technology Means (Virtual)**

Meeting Agenda

Sr.	ITEM
1	Voting on the Financial Statements for the fiscal year ended 31 December 2021.
2	Voting on the Auditors' Report for the fiscal year ended 31 December 2021.
3	Voting on the Board of Directors Report for the fiscal year ended 31 December 2021.
4	Voting on the appointment of the External Auditor for the Company from the nominated audit firms based on the recommendation of the Audit Committee to examine, review and audit the Financial Statements of the (Second and Third Quarters) and the Yearend for the fiscal year 2022 and the (First Quarter) of the fiscal year 2023, and determine their fees.
5	Voting on the Corporate Social Responsibility Policy, (attached).
6	Voting on Competition Standards, (attached).

PROXY FORM

To Attend the Ordinary Assembly General Meeting

As the Ordinary Assembly General Meeting will be held through modern technology means (virtually) thus, the proxy form is not available.

The company requests its respected shareholders to use the electronic voting remotely through Tadawulaty system which is provided free of charge to all shareholders through Tadawulaty's website <https://www.tadawulaty.com.sa>.

KEC Audit Committee Report
For the Fiscal Year Ended on 31 Dec 2021
Presented to KEC Assembly General Meeting

To the shareholders of Knowledge Economic City

In compliance by the audit committee of the Knowledge Economic City Company “the Committee” with Article (104) of the Saudi Companies Law, which stipulates that “The audit committee shall review the company’s financial statements, and auditor’s reports and notes, and shall provide its opinion thereon, if any. The committee shall also prepare a report of its opinion concerning the efficiency of internal control within the company, and about any other activities falling within its powers”, and the committee’s compliance with Article (91) of the Corporate Governance Regulations issued by the Capital Market Authority, which stipulates that “the report of the audit shall include details of its performance of its competencies and duties stated in the Companies Law and Its Implementing Regulations, provided that the report contains its recommendations and opinion on the adequacy of the internal and financial control systems and risk management systems in the Company”.

During the year 2021, the committee held 11 meetings, in which, it has implemented, as an example, but not limited to, the following:

1. Evaluating the internal controls system through what was stated in the internal audit reports and reviewing the results of its work to verify the integrity of the internal control system, and to ensure that the company's management is committed to implementing the procedures and recommendations as stated the internal audit reports.
2. Reviewing updates to some of the company's financial policies and procedures to ensure the level of effectiveness of internal control procedures in those policies.
3. Reviewing the interim condensed quarterly financial statements and the annual financial statements, discussing them with company external auditors, and making a recommendation about them to the Board of Directors.
4. Reviewing the accounting policies followed by the company, and ensures they are updated in line with international standards adopted in the Kingdom of Saudi Arabia.
5. Recommending to the Board of Directors to nominate the company's external auditors for the fiscal year ending 31 December 2021, in accordance with criteria that included technical and financial analysis, verifying the auditor's independency, and that there are no limitations on the implementation of their duties.

Based on the results of the continuous examination and annual verification, in our opinion, there is no material deficiency in the internal control systems and its integrity, through auditing processes that aims to ensure the effectiveness of internal control systems, reviewing financial and administrative policies and procedures, and the processes for preparing financial reports and related outputs to ensure the safeguarding of the company assets; with the need for continuous update of some of the company's systems and policies in line with the changes in relevant regulations and legislations issued by the competent legislation authorities. The Audit Committee supervises the periodic and systematic efforts exerted by the company to develop the policies and procedures, in order to evaluate the efficiency and effectiveness of control activities and risk management, under the guidance of the Board of Directors and the efforts of the Internal Audit Department and the company external consultants who work closely with the management to review and update policies and procedures under AC supervision.

Audit Committee of Knowledge Economic City

Dr. Jassim Al Rumaihi
Chairman of The Committee



Re: Agenda Item No. 4:

Voting on the appointment of the External Auditor for the Company from the nominated audit firms based on the recommendation of the Audit Committee to examine, review and audit the Financial Statements of the (Second and Third Quarter and the Yearend) for the fiscal year 2022 and the (First Quarter) of the fiscal year 2023, and determine their fees.

Date: 29 May 2022

**Recommendation from the Audit Committee of Knowledge Economic City Company
Regarding the Appointment of the Company Statutory Auditors for the Periods (Q2, Q3, and
Yearend) of the year 2022 and (Q1) of the fiscal year 2023**

The Audit Committee of Knowledge Economic City Company in accordance with its tasks & work procedures stipulated in the General Assembly decision which formed the Committee, has invited number of audit firms to submit their proposals to review, examine and audit the company's financial statements for the second, third, and the annual financial statements for the year 2022 and for the first quarter of 2023.

After reviewing the received proposals, assessing the audit firms and evaluating the team members proposed to carry out the audit tasks to ensure they possess the necessary expertise and qualifications, the audit committee has recommended the appointment of one of the firms mentioned below to review, examine and audit the company's financial statements for the (Second, Third Quarters and Yearend) for the year 2022 and the (First Quarter) of the year 2023.

The proposed firms:

Sr	Audit Firm
1	PricewaterhouseCoopers - PWC
2	Ernst & Young
3	KPMG

KEC Audit Committee
Dr. Jassim Shaheen Al-Rumaihi
Chairman of the Committee

Re: Agenda Item No. 5:

Voting on the Corporate Social Responsibility Policy

CSR Policy for the Knowledge Economic City Company

Article (1): Preamble

As part of its main objectives, the company belief in its main role in achieving sustainable development and balance of the local economy, and as part of the Board of Directors' belief in the importance of social responsibility in general, the expected role of the company and the aspirations of its shareholders, customers, employees, society to help them achieve their desires, the company offers a number of initiatives and services to achieve a balance between its objectives and the stakeholders goals.

Article (2): Objectives

To promote and enhance concept of charitable services, establish and buildup a reciprocal relationship with the local charity organizations and other societies involved in social, cultural, and educational activities. Launching effective initiatives and programs in social responsibility and sustainability aspects that ensures a balance between the company's goals and the aspiration of the society and the stakeholders through implementation of sustainable CSR programs and activities.

Article (3): Social Responsibility Areas

The company's activities in areas of social responsibility are centralized in three main areas:

- A- In- Kingdom Social and charitable services
- B - Training and Development of talents and Saudization
- C- Enhancing Environmental Safety.

Article (4): Provision of Social & Charitable Services

- 1) Support social and charitable services through providing financial support to licensed Charitable and Social Organizations.
- 2) Participate in various researches and studies that impact society and CSR awareness.
- 3) Encourage and facilitate the company's employees in volunteering work, activities, programs and events organized or supported by the company.
- 4) Share in direct and indirect voluntary charitable initiatives and provides public awareness programs.
- 5) Facilitates participation of the company CEO and senior executives in CSR committees, conferences and events organized by other parties, especially the Madinah Gouvernante.

Article (5): Employees Training & Development & Jobs Nationalization

- 1) Increase job opportunities and hiring of Saudis in various technical and administrative jobs.
- 2) Provide an appropriate work environment through fair recruitment procedures based on professional competences and protecting company employees' rights.
- 3) Provide on job training for Saudi employees in Training Institutes and invest in their capabilities to handle their current and future job responsibilities.
- 4) Provides a healthy and safe work environment for all company employees.
- 5) Share company's and employees' experiences with university students and other concerned parties.
- 6) Provides summer training programs for university graduates and students (Co-Op).

Article (6): Enhance Environmental Safety & Protection

- 1) Sets and implement measures to ensure efficient and effective management of the company's resources, encourage recycling efforts to reduce waste within the company's projects, and utilize wastewater in irrigation, agriculture and other environmental activities.
- 2) Contribute to efforts directed towards environmental protection to ensure better environment for future generations.
- 3) Observe the procedures and measures set to protect the environment through adopting environmentally friendly methods leading to pollution reduction, rational use of energy and water resources.
- 4) Contributes to the "Quality of Life Program" as one of the Kingdom's Vision for the year 2030 programs that enhance better life in the Kingdom through provision of better infrastructure, transportation, housing, urban design, environment, economic and educational opportunities, security and social lifestyle development through increasing individuals' participation in recreational, sports and cultural activities.
- 5) Contributes and support promotion of humanization of cities initiatives adopted by the Kingdom to create the best urban environment and friendly cities that secure peaceful social depth to all habitants and provides better walkways and areas for social activities and interaction.

Article (7): Policies

The company adopts the following policies:

1) Develop programs and determines necessary means to present company's initiatives in social services areas, including the following:

A- Setting performance indicators linking the company's performance to the implemented social services initiatives and benchmarking them with other companies of similar activities.

B- Disclosing the adopted social responsibility objectives to company employees, raising their awareness and educate them thereof.

C- Disclosing social responsibility plans in company's periodical reports.

D- Develop awareness programs for the community to define the company's social responsibility.

2) The Board of Directors or the Executive Committee determines the proposed budget for spending on the company's social responsibility activities and the development of the society social and economic situation in general the company's employees in particular.

3) The CEO is responsible for directing business plans and programs to comply with this policy, while the participation of the company's employees in implementing the CSR plans and programs is considered vital key of success.

Article (8): Adoption, publication, implementation and review of the policy

1) The Ordinary General Assembly - based on the Board of Directors' recommendation - shall approve this policy. The policy shall be communicated to the company's staff, published in the company's website, and shall be effective as of the date of publishment. The General Assembly authorizes the Board of Directors to review and amend the said policy on frequent basis.

2) The executive management shall implement the policy and keep frequent review thereof to suggest proper amendment thereto.

Re: Agenda Item No. 6:

Voting on Competition Standards

Competition Standards for the Knowledge Economic City Co

Article One - Preamble:

It has been proposed to issue this document in accordance with the law requirements that the Company's Ordinary General Assembly shall, upon a proposal from the Board, issue standards to govern a board member's engagement in a business that competes with the Company's activities, and such standards shall be duly published in the company's website. Provided that the Chairman of the Board shall duly notify the Ordinary General Assembly once convened, of any competing activities of a Board Member once proved and substantiated on annual basis.

Article Two - Definitions:

- 1) The Company: The Knowledge Economic City Company
- 2) The General Assembly: The General Assembly of the Knowledge Economic City Company's Share Holders.
- 3) The Board of Directors: The Board of Directors of the Knowledge Economic City Company
- 4) A Board Member is an executive, non-executive, or independent member of the Board of Directors as defined in the relevant laws and regulations in force and the company policies.
- 5) The Company's Activity: The development of the components and parts of the Knowledge Economic City company.
- 6) Company boundaries: The geographical boundaries of the Knowledge Economic City in Madinah.
- 7) The Governance Regulations: The Corporate Governance Regulations issued by the Capital Market Authority and the regulations related to the competing business, issued by the Capital Market Authority, Ministry of Commerce and the Company.
- 8) Conflict of Interest Policy: The Knowledge Economic City Company policy dealing with conflict of interest and related party business.
- 9) Competition: Any commercial act of completion committed by any natural or corporate person with any of the company activities whether by offering better performance, price, quality; or any other advantage to satisfy the company's customers. Such competition is said to be evident through ownership of similar trademarks or provision of similar products within the company's geographical territory as defined herein even with different specification, price and to different customers.

Article Three - Scope of Competition:

The concept of competing with the company business or the company branches includes the following:

- 1) if a Board Member establishes a company or a sole proprietorship or owns a controlling percentage of shares or stakes in a company or any other entity engages in business activities similar to the activities of the "Company" or any of its groups.
- 2) if a Board Member accepts a board membership of a company, an entity or a group that competes with the Company, other than in any of the Company's affiliates.
- 3) if a Board Member obtains a commercial agency or any sort of an agency of another company or entity competing with the Company or any of its group.

To limit the broad the scope of competition, the activity of the company and its branches above has been limited to the development of the elements and components owned by the company within the Knowledge Economic City in accordance with its master plan approved by the competent authorities and the amendments that occur to its projects and trademarks within the land owned by it within its boundary. Accordingly, the scope of competition for a member of the Board of Directors is limited to his engagement in the above as long as it is within the boundaries of the KEC for the items and products owned by the KEC wholly within these boundaries and does not include what is developed by any sub-developer.

Article 4 - Procedures:

- 1) Any Member of the Board of Directors shall duly inform the Chairman of the Board of Directors in writing of any business competing with him in accordance with the above definition and scope.
- 2) The Chairman of the Board shall inform the Board of any competing business attributed to him or to any other Board member.
- 3) The notification shall include a description of the competing business, its expected duration and any other nonconfidential information. Such notification shall be recorded in the minutes of the subsequent Board meeting.
- 4) The Board shall deliberate on the member's competition declaration to decides whether it is appropriate to inform the Assembly if the Board considers the declared act does not constitute a competition act or does not influence the performance of the member.
- 5) The Board may take a unanimous decision requesting any of its members to submit a declaration of competing activities, and in case such member refuses to submit such declaration, the Board may petition the Assembly to sanction such competing activities of the said member, provided petition shall be treated as if submitted by the competing member himself.
- 6) The competing member of the board of directors shall be barred from participating in the voting on the Board or the Assembly resolution issued in this regard.
- 7) Annual verification of the reported competing activities shall be done with the aim of renewing or not renewing the resolution pertinent thereto if such competing work continues.
- 8) A license shall be obtained from the General Assembly to allow a competing member of the Board of Directors to continue such competing activities.
- 9) If the General Assembly refuses to license such competing activities in line with the Companies Law and the regulations issued by the Capital Market Authority (Article 72 of the Companies Law and Article forty-six of the Corporate Governance Regulations issued by the Capital Market Authority), the competing member of the Board of Directors must submit his resignation within A deadline specified by the General Assembly, or within a period not exceeding (90) days from the date of the General Assembly's meeting or any other period as specified by the General Assembly, otherwise the membership of the competing member in the Board of Directors shall be considered expired, unless the competing member decides to abstain from the company's competition or reconciles his status in accordance with the Company Law and its implementation regulations in force before the expiry of the period specified by the General Assembly, provided competing member shall informs the Board of Directors of the actions taken by the member to align his situation to the satisfaction and acceptance of the Board.
- 10) The CEO and members of the executive management may not participate in any work that would compete with the company according to the definition contained in this policy, and in the event of a violation of any of them, the appropriate action shall be taken by the Board of Directors.

Article Five - General Provisions:

- 1) In addition to the responsibilities and duties of a board member as specified in relevant laws and regulations in force, a Board of Directors member shall preserve the company interest and give it priority over his personal direct and indirect interests.
- 2) The measurements and standards as specified herein, particularly the conflict-of-interest policy, shall not contradict and prejudice any other standards or policies of the company, especially the conflict-of-interest policy in forced on the members of the board of directors in the event of an actual or possible conflict of interest of a member of the board of directors.
- 3) The business and activities declared by a member applying for membership in the company's board of directors, as applicable to himself or to the corporate he represents, shall be considered proper declaration, provided it is in line with the conditions and definitions stated herein. Such declaration shall be forwarded to the Board for proper discussion and action. The said member shall continue performing his duties till his application is presented to the General Assembly for proper decision and action when resumed.
- 4) When a member of the board of directors resigns or if his membership elapse for any reason, he may have the right to practice any competing activity immediately after the laps of his membership in the board, unless the Board specifies a period preventing such member from competing with the company, provided the said member may confront such decision of the Board subject to the applicable rules and regulations in force.
- 5) The Board of Directors is the body authorized to take decisions related to policy and has the authority of the General Assembly pertinent to the competition of the members of the Board of Directors. The General Assembly authorizes the Board of Directors to review these standards and regulations and make any amendments thereto and cause it to be applied subject to its presentation to the General Assembly meeting for proper approval.

Article Six - Enforcement:

These standards and regulations shall take effect after due approval by the General Assembly; however, the Board of Directors is authorized to implement, publish and make any amendments thereto subject to latter ratification by the General Assembly.