

Remuneration and Nomination Committee

The Board formed this Committee for a period of three years starting from 7 August 2019. The regulation of the Remuneration and Nomination Committee including the remuneration of its members was approved by the Company's General Assembly on 8 October 2017 in accordance with Articles 60 and 64 of the Corporate Governance Regulations issued by the CMA. The Committee has the role of making recommendations to the Board of Directors on nominations to the Board, developing clear policies for the remuneration of the Board of Directors and Senior Executives of the Company and its subsidiaries, reviewing the structure of the Board of Directors, identifying weaknesses and strengths of Members of the Board, ensuring the independence of independent Members (annually) and ensuring the absence of conflicts of interest if Members also belong to the board of directors of another company.

Regarding remuneration, the Committee shall be responsible for the following:

- Preparing a clear policy for the remuneration of the Board Members and its committees, and the Executive Management, and presenting such policy to the Board in preparation for approval by the General Assembly, provided that such policy follows standards that are linked to performance, and disclosing and ensuring the implementation of such policy.
- Clarifying the relation between the paid remuneration and the adopted Remuneration Policy and highlighting any material deviation from that policy.
- Periodically reviewing the Remuneration Policy and assessing its effectiveness in achieving its objectives.
- Providing recommendations to the Board in respect of the remuneration of its Members, its Committees and Senior Executives, in accordance with the approved policy.
- Reviewing the financial remuneration of the CEO, including long term and short term incentives, in addition to setting the performance level to be achieved by the CEO, and providing recommendations to the Board in respect thereof.
- Reviewing and authorizing the CEO's recommendations as to financial remuneration of Senior Executives.
- Ensuring and observing the compliance of the Company with respect to the policy for the remuneration of the Board Members and its committees, and the Executive Management approved by the General Assembly of shareholders.

Regarding nominations, the Committee shall be responsible for the following:

- Suggesting clear policies and standards for membership of the Board and the Executive Management.
- Providing recommendations to the Board for the nomination or renomination of its Members, in accordance with approved policies and standards, taking into account that nominations shall not include any person convicted of a crime involving moral turpitude or dishonesty.
- Preparing a description of the capabilities and qualifications required for Membership of the Board and Executive Management positions.
- Determining the amount of time that the Member shall allocate to the activities of the Board.
- Annually reviewing the skills and expertise required of the Board Members and the Executive Management, while determining the strengths and weaknesses of the Board and Executive Management, and recommending remedial solutions that serve the Company's interests.
- Reviewing the structure of the Board and Executive Management, as well as providing recommendations regarding changes that may be made to such structure.
- Annually ensuring the independence of Independent Directors and the absence of any conflicts of interest if a Board Member also acts as a member of the board of directors of another company.
- Providing job descriptions for the Executive, Non-Executive and Independent Directors and Senior Executives.

- Setting procedures to be followed if the position of a Member of the Board or a Senior Executive becomes vacant.
- Determining the strengths and weaknesses of the Board and recommending remedial solutions that serve the Company's interests.
- Providing an appropriate level of training and induction to new Board Members regarding the Company's tasks and achievements so that they can perform their duties effectively.
- Examining and reviewing the Executive Management's performance.
- Examining and reviewing succession plans for the Company in general, and for the Board of Directors, Chief Executive Officer and Senior Executives.
- Examining and reviewing the recommendations of the Chief Executive Officer regarding the appointment and termination of Senior Executives, except for the Head of Internal Audit department who shall be appointed and dismissed upon the recommendation of the Company's Audit Committee.

Remuneration and Nomination Committee Meetings during 2022

During 2022, the Remuneration and Nomination Committee held two meetings. The following table illustrates the names, positions and attendance of Committee members.

No.	Member Name	Position	Meetings		Attendance Rate
			First	Second	
			23-May-22	28-Nov-22	
1	Mr. Ammar bin Abdulwahid Al Khudairy	Chairman	X	Attended	50%
2	Mr. Bader bin Abdullah Al Issa**	Member	-	Attended	100%
3	Mr. Hosam Ali Al Qurashi**	Member	-	Attended	100%
4	HH Prince Saud bin Sultan bin Mohammed bin Saud Al Kabeer	Member	Attended	Attended	100%
5	Mr. Saad bin Abdulmohsen Al Fadly*	Member	Attended	-	100%
6	Mr. Sultan bin Abdulmalek Al Sheikh*	Member	Attended	-	100%

*Membership ended on 6 August 2022

**Membership started on 7 August 2022