

Remuneration and Nomination Committee Charter

1-1 Duties and responsibilities of the Remuneration and Nomination Committee

The main task of the Remuneration and Nomination Committee is to identify qualified individuals and candidates to be members of the Board of Directors and meet the necessary conditions for membership, as well as to assist the Board of Directors in setting up a sound governance framework and developing the necessary policies and procedures for that. The committee's scope of work includes carrying out all actions that enable it to achieve its tasks, including:

- 1- Recommend to the Board of Directors the nomination of its members and re-appointing in accordance with the approved policies, standards and procedures considering not to nominate any person convicted with breach of trust in the past.
- 2- The annual review of the necessary requirements of the appropriate skills or experience for the membership of the Board of Directors and the functions of the executive management and determining the time that the member should allocate to exercise the duties of the Board of Directors.
- 3- Review the structure of the Board of Directors and the executive management and make recommendations regarding any changes that can be made.
- 4- Prepare a description of the capabilities and qualifications required for membership of the Board of Directors and for occupying executive management positions.
- 5- Develop job descriptions for executive members, non-executive members, independent members, and senior executives.
- 6- Determining the strengths and weaknesses of the Board of Directors and proposing the required amendments consistent with the company's interest.
- 7- Nominating for the position of CEO or Managing Director of the company and nominating committee members for the approval of the Board of Directors.
- 8- Proposing clear policies and criteria for membership in the Board of Directors and Executive Management.
- 9- Annually ensuring the independence of the independent members, and the lack of any conflict of interest if the member is a member of the board of directors of another company.
- 10- Setting procedures to be followed if the position of a member of the Board or a Senior Executive becomes vacant.
- 11- Reviewing preparatory materials and training courses for new board members.
- 12- Setting clear policies regarding the remuneration of managers and senior executives.
- 13- Explain the relationship between remunerations granted and the remuneration policy and highlighting any significant deviation from such policy.
- 14- Review and propose plans for key executive positions.
- 15- Reviewing and approving the remunerations and benefits structure of the company, which includes job grades, salaries and benefits structure, bonuses and incentives related to performance.
- 16- Recommending to the Board of Directors the remuneration of the members of the Board of Directors, its committees, and senior executives of the company in accordance with the approved policy.
- 17- Approval of exceptional remuneration (employment or performance bonus) for the CEO and senior executives.

1-2 Formation of Remuneration and Nomination Committee and conditions to be met by committee member.

The Remuneration and Nomination Committee shall be one of the committees emanating from the Board of Directors, and shall consist of at least (3) members, considering the following:

- 1- That all members of the committee are non-executive members of the board, with at least one independent member among them.
- 2- That the chairman of the committee is an independent member.
- 3- That the chairman of the board does not hold the position of chairman of the committee.
- 4- That members of the committee have appropriate academic qualification, practical training, familiarity with administrative aspects, and nature of company business.

1-3 Appointment or dismissal of the members of the Remuneration and Nomination Committee and the term of their membership

- 1- Subject to the conditions that must be met by the members of the Remuneration and Nomination Committee, the Remuneration and Nomination Committee shall be formed by a decision of the Board of Directors of the company. The general assembly of the company – based on a proposal from the Board of Directors – shall issue the charter of the Remuneration and Nomination Committee, provided that these regulations include the controls and procedures of the committee's duties, its tasks, the rules for selecting its members, their membership term, and their remunerations. The Board of Directors shall appoint the members of the Committee for a period not exceeding four years. The Board of Directors shall take the necessary measures to enable the Committee to carry out the tasks entrusted to it, including informing the Committee, without any restrictions, of all data, information, reports, records, correspondence, or other matters that the Committee deems important to review.
- 2- A member may be reappointed to the committee for another term.
- 3- Any member of the committee may be dismissed by a decision of the Board in the following cases:
 - A. The member requests to resign from membership in the committee.
 - B. Misuse by the member of his position in the committee or misconduct that the Board considers detrimental to the objectives and reputation of the company in general and the committee.
 - C. The member's absence from attending three consecutive meetings without an excuse acceptable to the Board of Directors.
- 4- When a member's term ends during the session of the committee, due to death, resignation, disability or dismissal, the Board appoints another member to fill the vacant position in the committee, considering the conditions to be met by a member of the committee. Both the member who vacated the position in the committee and the member who is appointed to continue the term of the member who vacated the position in the committee shall be considered to have served a full term.

1-4 The scope of the Remuneration and Nomination Committee

- 1- The General Assembly of the company shall issue - based on a proposal from the Board of Directors - the charter of the Remuneration and Nomination Committee, provided that this charter includes the controls and procedures of the committee's duty, its tasks, the rules for selecting its members, the method of their nomination, the term of their membership, and their remunerations.
- 2- The committee prepares an annual action plan that includes a description of the work that it will carry out during the next year in the form of work programs in which it estimates the cost and the time required to complete each program and submits this plan to the Board for approval.
- 3- The committee shall submit periodic reports to the Board of Directors containing its work and its results, including what the Committee found of significant deviations, errors, or weaknesses in the formation of the Board of Directors or its sub-committees, and that the report includes any recommendations the Committee deems necessary to address deficiencies, to enable the development of the structure of the Board of Directors and its committees and to activate their work. The committee shall study the issues that concern it or that are referred to it by the Board of Directors and submit its recommendations to the Board to take a decision in that regard, or to take decisions if the Board delegates to it, provided that this delegation is for a limited period and is not general.
- 4- The committee meets at the request of at least two members, and the committee meets periodically at least every six months and whenever the need arises. No member of the board of directors or executive management except the secretary of the committee and members of the committees is entitled to attend its meetings unless the committee requests to hear an opinion or obtain advice.
- 5- The quorum is complete with the presence of the majority of the members of the meeting, and the decisions in the committee are voted upon by the majority of votes.
- 6- Each member shall have one vote when voting on decisions in the committee, and decisions shall be taken by majority of votes, and when votes are equal, the side that voted with the chairman of the meeting shall prevail.
- 7- The Remuneration and Nomination Committee shall have the right to seek the assistance of expert offices, consultants, questionnaire managers, and others when needed within the limits of its powers, the name of the party and his/her relationship with the company shall be mentioned and included in the minutes of the committee meeting.

1-5 Terms of reference of the committee chairman, vice-chairman, and the committee secretary

- 1- The members of the committee choose from among themselves a chairman for the duration of the committee session. The chairman of the committee supervises the committee's accomplishment of its tasks and has the following in particular:
 - A. Inviting the committee to convene and specifying the time, date, and place for each meeting of the committee and the agenda, in coordination with the committee members.
 - B. To chair the Committee's meetings.
 - C. Submitting the results of the committee's work and its recommendations to the board of directors.
 - D. Prepare the committee's budget, action plan and projects in the short and long term, in coordination with the committee's secretary, and presenting it to the committee for approval prior to submitting it to the Board of Directors.

- E. Preparing periodic reports on the activities of the committee, in coordination with the secretary of the committee, and presenting them to the committee for approval prior to submitting it to the Board of Directors.
- F. Representing the committee before the Board and any other party that requires that. For this, the committee chairman or whomever he/she delegates from among the committee members must attend the general assemblies to answer shareholders' questions.
- 2- The members of the committee choose from among themselves a vice-chairman for the duration of the committee's session, who assists the chairman in performing the duties and takes the Chair if absence.
- 3- The committee secretary, who is appointed by the committee and whose remunerations are determined by the committee, attends the committee's meetings, without having the right to vote. The committee's meetings must be documented, and the minutes shall include the discussions and deliberations that took place during the meeting, the committee's recommendations and the voting results must be documented, and kept in a special and organized record, and the names of the attended members and the reservations they made – if any – should be indicated, these minutes shall be signed by all the attended members. The selected Secretary of the Committee shall have academic qualifications and practical experience to carry out the tasks. The Secretary of the Committee is committed to preserving the company's secrets and refraining from any activity that may be incompatible with the interest of the company.

1-6 Determining remuneration of Remuneration and Nomination Committee.

- 1- Committee members are entitled to an attendance allowance for each meeting, as it will be determined and approved by board of directors and shareholders' assembly.
- 2- The annual report of the board of directors to the general assembly discloses attendance allowances paid to members of committee during the year.