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**Remuneration Policy for members of the Board of Directors
Committees and Executive Management**

Abdullah Al-Othaim Markets Company

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Introduction:

In order to enhance the process of disclosure, transparency and effective governance, Abdullah Al Othaim Markets Company has prepared this policy, which aims to determine the amount of remuneration for the members of the Board of Directors of Abdullah Al Othaim Markets Company, its committees and the executive management, and the mechanism for paying them in accordance with the relevant regulations and bylaws issued by the regulatory and legislative authorities, and the best prevailing practices that would create an attractive environment through which professional competencies and expertise can be attracted, retained and motivated to contribute to achieving the company's goals.

First: Definitions:

The Company: Abdullah Al-Othaim Markets Company, "a Saudi public joint stock company".

The Board of Directors/Board: The Board of Directors of Abdullah Al-Othaim Markets Company.

The Committee/Committees: The committee formed by a decision of the Board of Directors of Abdullah Al-Othaim Markets Company.

The General Assembly: An assembly formed from the shareholders of Abdullah Al-Othaim Markets Company in accordance with the provisions of the Companies Law and the Company's Articles of Association.

The Executive Management: The persons entrusted with managing the daily operations of Abdullah Al-Othaim Markets Company and proposing and implementing strategic decisions, such as the CEO, his deputies and the Financial Manager.

Remunerations: The amounts and allowances paid to members of the Board of Directors in return for their membership in the Board and Committees, whether from members of the Board or from others.

Second: Scope of application of the policy:

This policy applies to members of the Board of Directors, committees, and executive management of the company.

Third: Timing of disbursement of remunerations:

Disbursing remunerations and allowances to members of the Board of Directors and committees will be on an annual or periodic basis for any part of the year.

Fourth: Mechanism for disbursing remunerations:

Board of Directors Membership Remuneration:

- a) An annual remuneration of SR (300,000) three hundred thousand riyals shall be paid to a member of the Board of Directors.
- b) A member of the Board of Directors may be granted a remuneration for any additional executive, technical, administrative or advisory businesses or positions - under a professional license - that he is assigned to in the company, in addition to the remuneration he receives in his capacity as a member of the Board of Directors and any of the committees formed by the Board.

c) An independent member of the Board of Directors may not receive financial amounts from the company in addition to the remuneration for membership of the Board of Directors or any of its committees that exceed SR (200,000) or (50%) of his remunerations in the previous year that he received for membership of the Board of Directors or any of its committees, whichever is less.

Committee Membership remuneration:

An annual remuneration of SR (150,000) one hundred and fifty thousand riyals is paid to each member of the "Audit Committee, Remuneration and Nominations Committee, and Executive Committee", and an amount of SR (175,000) one hundred and seventy-five thousand riyals is to be paid to each committee chairman.

Attendance Allowances:

a) An attendance allowance of SR (5,000) five thousand riyals is paid to each member of the Board and Committees meetings for each session.

b) An attendance allowance of SR (5,000) five thousand riyals is paid to a member of the Board of Directors for attending each General Assembly meeting.

c) A member of the Board or Committee shall not receive a remuneration or attendance allowance if he is an employee receiving a monthly salary from the company.

Remuneration for the Secretary of the Board of Directors and Committee Secretaries:

a) An annual remuneration of SR (30,000) thirty thousand riyals is paid to the Secretary of the Board of Directors.

b) A remuneration of SR (3,000) three thousand riyals shall be paid to the secretary of each committee for each meeting he attends.

Executive Management Remuneration:

An annual remuneration shall be paid to the executive management based on criteria related to achieving performance indicators and according to the results of the evaluation conducted annually.

Fifth: Stopping the disbursement of remuneration and recovering them:

In the event that it is decided to terminate the membership of a member due to his absence from the company's board of directors meetings, due to his absence from three consecutive meetings or five separate meetings during his membership period without a legitimate excuse or in accordance with what is stipulated by the relevant regulations, he is not entitled to any remuneration for the period following the last meeting he attended, and he must return all remuneration that were paid to him for that period.

Sixth: Disclosure:

The details of this policy, the remuneration of the Board of Directors and its committees, and the remuneration of senior executives shall be disclosed in the annual report of the Board of Directors in accordance with what is approved by the regulations.

Seventh: Adoption and implementation of the policy:

This policy is to be approved by the General Assembly and will be effective as of the fiscal year 2024G.



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