

A statement of the policy regulation for the remuneration of members of the Board of Directors, its committees, and the executive management before and after the amendment

Remuneration schedule before amendment Article 8 Paragraph 1

(Remuneration for members of the Board of Directors)

a) Allowance for attending one session	3000 riyals
b) Allowance (travel and transfer of residence) for those outside the city of the meeting location	securing the means of travel, transportation, and housing
A) An annual lump sum for each member	250.000 riyals
D-) Amendment and exchange mechanisms	<p>The amount of the annual lump sum remuneration for a member of the Board of Directors referred to in paragraph (c) of Clause (1) above may be reviewed from one period to another based on a recommendation from the Remuneration and Nominations Committee in light of the performance-related variables, and then obtaining the approval of the Shareholders' General Assembly on that.</p> <p>The meeting attendance allowance and the - additional attendance allowance are paid on a quarterly basis, while the annual lump-sum rewards are disbursed after being approved by .the shareholders' general assembly</p>

Remuneration schedule after amendment Article 8 Paragraph 1

(Remuneration for members of the Board of Directors)

a) Allowance for attending one session	3000 riyals
b) Allowance (travel and transfer of residence) for those outside the city of the meeting location	securing the means of travel, transportation, and housing
A) An annual lump sum for each member	200.000 riyals
D-) Amendment and exchange mechanisms	<p>The amount of the annual lump sum remuneration for a member of the Board of Directors referred to in paragraph (c) of Clause (1) above may be reviewed from one period to another based on a recommendation from the Remuneration and Nominations Committee in light of the performance-related variables, and then obtaining the approval of the Shareholders' General Assembly on that.</p> <p>The meeting attendance allowance and the - additional attendance allowance are paid on a quarterly basis, while the annual lump-sum rewards are disbursed after being approved by .the shareholders' general assembly</p>

Remuneration schedule for members of the committees emanating from the board before amendment Article 8 Paragraph 2

Allowance for attending one session	3000 riyals
An annual lump sum for each member	50.000 riyals
The annual lump sum remuneration and the allowance for attending sessions are paid on a .quarterly basis	
Board member/committee member, who participates in more than one of the committees emanating from the Board of Directors, an amount of (50,000) riyals is calculated for all the .committees in which he participates	

Remuneration schedule for members of the committees emanating from the board after amendment Article 8 Paragraph 2

An annual lump sum for the independent audit committee member	100.000 riyals
An annual lump sum for an independent committee member	.(50,000 riyals)
Allowance for attending one session	3000 riyals
A member of the Board of Directors and a member of the committee participating in more than one of the committees emanating from the Board, it is sufficient to reward the Board only	

Note: The amendment of this regulation is within the authority of the Secretary of the Nomination and Remuneration Committee after obtaining the approval of the amendment from the authority with the authority. Any amendments to the systems/organizational structure of the company/delegation of authority structure/the articles of association are determined by the members of the Nominations and Remunerations Committee/the Board of Directors or the Executive Management or the Secretary of the Nominations and Remunerations Committee or whoever is authorized to do so. The amended version of the regulation must be approved by the board of directors or whoever is authorized to do so, and it must be properly disclosed to the concerned parties in accordance with the relevant bylaws and regulations.

1- Introduction

The “Remuneration Policy for the Board of Directors, its Committees and the Executive Management” of Abdul Mohsen Al Hokair Group for Tourism and Development Al Hokair (hereinafter referred to as the “Group” or “the Company”) has been prepared in order to comply with Paragraph (1) of Article (61) of the Corporate Governance Regulations issued by The Board of the Capital Market Authority pursuant to Resolution No. (2017-6-8) dated 16/05/1438 AH corresponding to 13/02/2017 AD, which stipulates that the Remuneration and Nominations Committee shall “prepare a clear policy for the remuneration of the members of the Board of Directors and the committees emanating from the Board and the management Executive Board, and submit it to the Board of Directors for consideration in preparation for approval by the General Assembly.

2- The goal

The objective of this policy is to define clear criteria for the remuneration of members of the Board of Directors and its committees and senior executives in light of the requirements of the Companies Law and the regulations and regulations of the Capital Market Authority. And incentive programs for rewards and linked to performance, which contributes to improving the performance of the company and achieving the interests of its shareholders.

3- General criteria for rewards:

The Nominations and Remunerations Committee shall be responsible for recommending to the Board the remunerations of the Board members, members of the committees and senior executives of the company, in accordance with the approved criteria, as follows:

- 1- The remuneration shall be commensurate with the company's activity and the skills necessary to manage it.
- 2- Taking into account linking the variable part of the rewards with long-term performance.
- 3- The company takes into account the consistency of the rewards with the company's strategy and objectives and with the size, nature and degree of risks it has.
- 4- The company shall take into consideration the practices of other companies and what is prevalent in the labor market in determining the remuneration, while avoiding the unjustified rise in remuneration and compensation that may result from this.
- 5- It is prepared in coordination with the Nominations and Remunerations Committee with regard to new appointments.
- 6- Rewards are determined based on the job level, the tasks and responsibilities assigned to the incumbent, educational qualifications, practical experience, skills, and level of performance.
- 7- The remuneration shall be fair and commensurate with the member's competencies and the work and responsibilities undertaken and borne by the members of the board of directors or committees, in addition to the objectives set by the board of directors to be achieved during the fiscal year.
- 8- Taking into consideration the sector in which the company operates, its size and the experience of the members of the board of directors.
- 9- That the remuneration is reasonably sufficient to attract, motivate and retain members of the Board of Directors with appropriate competence and experience.
- 10- The remuneration of the members of the board of directors may be of varying amounts to reflect the member's experience, competencies, tasks entrusted to him, his independence, the number of sessions he attends, and other considerations.
- 11- The remuneration shall be suspended or refunded if it is found that it was decided based on inaccurate information provided by a member of the Board of Directors, the Board's committees, or the Executive Management; This is to prevent the career situation from being exploited to obtain undeserved rewards.
- 12- In the event that a program is developed to grant shares in the company to members of the Board of Directors, the executive management and its employees, whether it is a new issue or shares purchased by the company, this is done under the supervision of the Nominations and Remunerations Committee and in accordance with the company's articles of association and the relevant Capital Market Authority regulations and rules.

4- Remuneration of the members of the board of directors:

1- The remuneration of the members of the board of directors in the company shall consist of a certain amount, attendance allowance for meetings, expenses allowance, in-kind benefits, or a percentage of the profits. Any amendments to this schedule later are approved in accordance with the system.

2- This remuneration may be of varying amount and in light of a policy issued by the Nominations and Remunerations Committee and approved by the Assembly. The annual report of the Board of Directors to the General Assembly of Shareholders must include a comprehensive statement of all

It should also include a statement of what the members of the board received in their capacity as workers or administrators or in return for technical or administrative work or consultancy (if any), and it should also include a statement on the number of board sessions The number of sessions attended by each member from the date of the last meeting of the General Assembly.

3- In the event that the remuneration of the members of the Board of Directors is a percentage of the profits, the provisions of Paragraph (2) of Article (76) of the Companies Law and Article (22) of the Company's Articles of Association must be observed, provided that the total rewards and benefits received by one member of the Board of Directors do not exceed Financial and in-kind, in all cases, an amount of (500,000) five hundred thousand Saudi riyals annually.

4- Taking into account that the remuneration of the independent board members should not be a percentage of the profits achieved by the company or be based directly or indirectly on the profitability of the company.

5- Remuneration of committee members:

1- The Board of Directors determines and approves the membership remunerations of its committees emanating from it - with the exception of the Audit Committee - attendance allowances and other entitlements based on a recommendation from the Nominations and Remunerations Committee.

2- The remuneration for membership of the committees emanating from the Board of Directors consists of an annual remuneration (a lump sum), meeting attendance allowances and other entitlements as described in this policy according to the schedule included therein.

3- As for the remuneration for membership of the Audit Committee, it is approved by the general assembly of shareholders based on a recommendation from the Board of Directors, according to the system.

4- When forming the membership of the committees emanating from the board of directors, the number of committees that a board member can occupy shall be taken into consideration, provided that the total remuneration a member receives for his membership in the board and committees does not exceed the upper limit stipulated in the Companies Law.

6- Executive Management Remuneration:

The Nomination and Remuneration Committee reviews and approves the annual remuneration according to the approved criteria. The remuneration of the executive management includes the following:

- 1- Basic salary to be paid at the end of each calendar month.
 - 2- Allowances including, but not limited to, housing allowance and transportation allowance.
 - 3- Medical insurance benefits for him and his family according to the human resources policy.
 - 4- A life insurance policy that includes work injuries, partial and total disability, and death at work.
 - 5- An annual bonus linked to performance indicators in accordance with the company's internal policy.
 - 6- Long-term incentive plans, such as programs for granting shares in the company, according to a policy specific to this program.
 - 7- Other benefits including, but not limited to, annual leave, annual travel tickets,. And an end-of-service gratuity according to the work system and the human resources policy approved by the company.
 - 8- The CEO implements the remuneration policy for employees and senior executives according to the recommendations of the Nominations and Remunerations Committee and the approval of the Board.
- 7- Additional determinants of rewards and method of disbursement:

- 1- Members of the Board of Directors may not vote on the remuneration of members of the Board of Directors at the meeting of the general assembly of shareholders.
- 2- The company shall disclose the remunerations of the members of the Board, committees and senior executives in the annual report of the Board of Directors, in accordance with the controls and directives issued under the Companies Law and the Capital Market Authority regulations and their implementing regulations.
- 3- The member shall be entitled to the remuneration as of the date of joining the council or the committee according to the term of his membership.
- 4- The procedures for disbursing the rewards for the members of the Board of Directors and the committees are prepared by the Secretary of the Board, provided that the order for their payment is approved by the CEO.
- 5- The allowance for attending board meetings, the rewards of the committees, and the allowance for attending committee meetings may be paid in installments at the end of each calendar quarter. As for the board's annual reward, it is paid in full after its approval in the annual general assembly meeting.

8- A statement of the details of the remuneration of the members of the Board of Directors and its committees:

1- Board members:

a) Allowance for attending one session	3000 riyals
b) Allowance (travel and transfer of residence) for those outside the city of the meeting location	securing the means of travel, transportation, and housing
A) An annual lump sum for each member	200.000 riyals
D-) Amendment and exchange mechanisms	<p>The amount of the annual lump sum remuneration for a member of the Board of Directors referred to in paragraph (c) of Clause (1) above may be reviewed from one period to another based on a recommendation from the Remuneration and Nominations Committee in light of the performance-related variables, and then obtaining the approval of the Shareholders' General Assembly on that.</p> <p>The meeting attendance allowance and the - additional attendance allowance are paid on a quarterly basis, while the annual lump-sum rewards are disbursed after being approved by .the shareholders' general assembly</p>

2-members of committees

An annual lump sum for the independent audit committee member	100.000 riyals
An annual lump sum for an independent committee member	.(50,000 riyals)
Allowance for attending one session	3000 riyals
A member of the Board of Directors and a member of the committee participating in more than one of the committees emanating from the Board, it is sufficient to reward the Board only	