

**Alujain Corporation**

A Saudi Joint Stock Company



شركة اللجائن  
شركة مساهمة سعودية

**Board Member Remuneration Policy  
and its emerging committees Executive management  
in Alujain Corporation**



## First: Definitions

**"The following words and phrases shall have the meanings indicated opposite them, unless the context of the text dictates otherwise."**

**Authority** : Capital Market Authority

**Polices** : Rewards policy for members of the Board of Directors and its emerging committees and the executive management of Alujain Corporation.

**Company Governance Regulations** : Alujain Corporation's governance regulations, approved by the company's Board of Directors

**Company** : Alujain Corporation

**General Assembly** : General Assembly: An assembly formed by the company's shareholders in accordance with the provisions of the Companies Law and the Company's Articles of Association."

**Board of Directors or Council** : Board of Directors of Alujain Corporation

**Board Subcommittees** : The Audit Committee, the Nominations and Remunerations Committee, and the Executive Committee."

**Committee** : Nominations and Remuneration Committee formed by the company's Board of Directors

**Company committees (NATPET)** : Review Committee and Nominations and Remuneration Committee Executive Committee and Marketing Committee and the Finance Committee

**Bonuses** : Amounts, allowances, profits and the like, periodic or annual performance-related bonuses, short- or long-term incentive plans, and any other benefits in kind, excluding reasonable actual expenses and costs incurred by the Company on behalf of members of the Board of Directors or members of committees emanating from the Board of Directors Management for the purpose of performing their work.



**Executive management** : People responsible for managing the company's daily operations, proposing and implementing strategic decisions, such as the CEO, his deputies, and the financial director.

## Second: The goal

This policy aims to set clear criteria for the remuneration of members of the Board of Directors and its committees Derived, Executive management in light of the requirements of the Companies Law, the Governance Regulations, and the regulations and rules of the Capital Market Authority According to the following:

1. Statement of procedures for remuneration of members of the Board of Directors and committees emanating from Board of Directors and Executive Management.
2. Ensuring continuity of application of standards and compliance with.
3. Work on a clear basis in accordance with the principle of complete transparency that ensures compliance with rules and regulations.

## Third: General reward policy

The Nominations and Remunerations Committee is responsible for recommending to the Board of Directors the rewards for Board members, the Board's subcommittees, and the Executive Management, in accordance with the approved policies, as follows:

1. The remuneration of the Board of Directors shall consist of a certain amount, an attendance allowance for sessions, certain benefits, or a certain percentage of net profits. Two or more of these benefits may be combined.
2. The remuneration of independent board members must not be a percentage of the profits made by the company or be based directly or indirectly on the company's profitability.
3. The remuneration of board members and committees emanating from the board of directors and executive management is commensurate with the company's activity and the skills necessary to manage it.
4. Rewards shall be granted with the aim of motivating the Board members, the members of the Board's subcommittees, and the Executive Management to contribute to the success and long-term growth of the Company. For example, the variable portion of the Executive Management's rewards may be linked to long-term performance.
5. The company takes into account the consistency of rewards with the company's strategy and objectives and with the size, nature and degree of its risks.
6. The rewards must be fair and proportionate to the member's competencies and the work and responsibilities carried out and borne by the members of the Board of Directors or



- committees, in addition to the objectives set by the Board Management to be achieved during the fiscal year.
7. Taking into account the sector in which the company operates, its size, and the experience of the board members, in addition to the practices of other companies in determining executive management remuneration, while avoiding any unjustified increase in remuneration and compensation that may arise from this.
  8. The reward must be reasonably sufficient to attract, motivate and retain board members and committee members with appropriate competence and experience, in addition to attract professional competencies for executive management of the company, without exaggerating it.
  9. Executive management remuneration should be determined based on the level of the position, the tasks and responsibilities assigned to the incumbent, academic qualifications, practical experience, skills, and level of performance.
  10. In the event that a program is organized to grant shares in the company to the executive management and its employees, whether they are new issues or shares purchased by the company, this is done under the supervision of the Nominations and Rewards Committee and in accordance with the company's bylaws and the relevant regulations and rules of the Capital Market Authority.
  11. The disbursement of the reward shall be suspended or recovered if it is found to have been granted based on inaccurate information provided by a member of the Board of Directors or the Executive Management, in order to prevent the abuse of position for obtaining undue rewards."
  12. Board members, the Board's subcommittees, and the Executive Management shall receive remuneration in accordance with this policy and pursuant to a resolution by the Board of Directors based on a recommendation from the Nominations and Remunerations Committee, and in line with the amounts specified in this policy. The rewards for Board members may vary in amount to reflect the number of meetings attended by each member and other relevant considerations, provided that the rewards remain fair, motivating, and commensurate with the member's performance and the Company's performance. Rewards may be disbursed on a quarterly or semi-annual basis.
  13. If the General Assembly decides to terminate the membership of a member of the Board of Directors who is absent due to his failure to attend three consecutive meetings or five separate meetings of the Board during his term of membership without a legitimate excuse acceptable to the Board, that member shall not be entitled to any remuneration for the period following the last meeting he attended, and shall return all remuneration paid to him for that period.
  14. If the Audit Committee or the Authority finds that the remuneration disbursed to any member of the Board of Directors is based on incorrect or misleading information presented to the General Assembly Or is included it in the Board of Directors' annual report, it must be returned to the company, and the company has the right to demand that the member return it.



## Fourth: Rewards for board members and the secretary

1. The Company's Articles of Association specify the method of remunerating Board members as follows: Board members' remuneration may consist of a fixed annual amount, an attendance allowance per meeting, a specific percentage of the Company's profits, or in-kind benefits. It is permissible to combine two or more of the aforementioned forms of remuneration)
2. The Board of Directors' report to the Ordinary General Assembly at its annual meeting shall include a comprehensive statement of all remuneration, attendance allowance, expense allowance and other benefits received or accrued to each Board member during the fiscal year.
3. It should also include a statement of what the board members received as workers or administrators, or what they received for technical or administrative work or consultations, and it should also include a statement of the number of board sessions and the number of sessions attended by each member.
4. The company purchases a liability insurance policy from members of the board of directors.
5. The remuneration of Board members consists of an annual reward (a fixed amount), meeting attendance allowances, and other entitlements and benefits as follows:
  - 5-1 The Chairman of the Board of Directors has an amount of SAR 500,000 (Five hundred thousand Saudi riyals only)
  - 5-2 For a member of the Board of Directors an amount of SAR 400,000 (Four hundred thousand Saudi riyals only)
6. A Board member shall be paid an attendance allowance of SAR 4,000 (Four thousand Saudi Riyals only) for each Board meeting attended.
7. The Secretary of the Board shall be granted an annual reward of SAR 75,000 (Seventy-five thousand Saudi Riyals only), which may be disbursed on a quarterly or semi-annual basis.
8. The Secretary of the Board shall be paid an attendance allowance of SAR 2,000 (Two thousand Saudi Riyals only) for each Board meeting attended.
9. Board members and the Secretary of the Board who travel from outside the meeting city shall be granted a fixed amount of SAR 3,000 (Three thousand Saudi Riyals only) per meeting, covering ticket and accommodation expenses.
10. A Board member shall be paid SAR 300,000 (Three hundred thousand Saudi Riyals only) for serving as Chairman of the Board of Directors of NATPET.
11. A Board member shall be paid SAR 200,000 (Two hundred thousand Saudi Riyals only) for serving as a member of the Board of Directors of NATPET.
12. A Board member shall be paid SAR 120,000 (One hundred and twenty thousand Saudi Riyals only) for serving as a member of NATPET's committees.



## Fifth: Rewards for committee members and the secretary

1. The Board of Directors shall determine the remuneration of the members of its subcommittees, attendance allowances, and other entitlements and benefits in accordance with this policy. Disbursement shall be made pursuant to a resolution by the Board of Directors and based on a recommendation from the Nominations and Remunerations Committee.
2. The remuneration for membership in the Board's subcommittees, whether from within or outside the Board, shall consist of an annual reward (a fixed amount), meeting attendance allowances, and other entitlements as follows:
  - 2-1. Committee Chairman (excluding the Audit Committee): SAR 150,000 (One hundred and fifty thousand Saudi Riyals only).
  - 2-2. Committee Member (excluding the Audit Committee): SAR 100,000 (One hundred thousand Saudi Riyals only).
  - 2-3. Audit Committee Chairman: SAR 175,000 (One hundred and seventy-five thousand Saudi Riyals only).
  - 2-4. Audit Committee Member: SAR 150,000 (One hundred and fifty thousand Saudi Riyals only).
3. A committee member shall be paid an attendance allowance of SAR 3,000 (Three thousand Saudi Riyals only) for each committee meeting attended.
4. The Secretary of each subcommittee of the Board shall be granted an annual reward of SAR 20,000 (Twenty thousand Saudi Riyals only), which may be disbursed on a quarterly or semi-annual basis.
5. Members of the Board's subcommittees and their secretaries who travel from outside the meeting city shall be granted a ticket and accommodation allowance not exceeding a fixed amount of SAR 3,000 (Three thousand Saudi Riyals only) per committee meeting.

## Sixth: Executive management rewards

1. A basic salary (paid at the end of each calendar month and on a monthly basis), and allowances that include, but are not limited to: housing allowance, transportation allowance, education allowance for children, and medical insurance benefits for him and his family.
2. An annual bonus linked to performance indicators in accordance with the annual evaluation carried out in this regard, provided that it is approved by a resolution of the Board of Directors Based on the recommendation of the Nominations and Remuneration Committee, in accordance with the President's proposal Executive.
3. A reward based on short-term incentive plans associated with exceptional performance, and long-term incentive plans such as stock option programs (when applicable).



4. The company purchases a liability insurance policy for Senior Executives of the Company.
5. Other benefits include, but are not limited to, annual leave and end-of-service gratuity in accordance with the Labor Law and the Human Resources Policy approved by the Company."

## Seventh: Additional Reward Parameters and Disbursement Method

1. Board members are not permitted to vote on the item concerning Board member rewards during the General Assembly meeting of shareholders.
2. Under all circumstances, the annual rewards for a Board member must not exceed SAR 1,000,000 (One million Saudi Riyals only).
3. The Company shall disclose the rewards of Board members, the Board's subcommittees, and senior executives in the Board of Directors' annual report, in accordance with the regulations and guidelines issued under the Companies Law and the Capital Market Authority's rules and implementing regulations.
4. Attendance allowances, tickets, and accommodation expenses shall be disbursed after each meeting.
5. The procedures for disbursing annual rewards to Board members and members of the Board's subcommittees shall be prepared by the Secretary of the Board, and the disbursement order shall be approved by the Chief Executive Officer following the Board's approval.

## Eighth: Final Provisions (Review, Amendment, and Publication of this Policy)

1. This policy shall become effective and binding upon approval by the General Assembly of shareholders, and shall take effect as of 01/01/2025.
2. This policy shall supersede any provisions that conflict with it in other policies, decisions, or internal regulations.
3. The Nominations and Remunerations Committee shall conduct periodic reviews of this policy, assess its effectiveness in achieving its intended objectives, and submit recommendations to the Board of Directors for approval by the General Assembly.
4. The policy shall be published on the Company's official website to make it accessible to shareholders, the public, and stakeholders.