

After Amendment	Before Amendment
<p>1. Preamble</p> <p>1.1 This Remuneration Policy (“Policy”) was prepared by Saudi Steel Pipe Company (“Company”), a Saudi Arabia joint-stock company, according to the Companies Law and its implementing regulations, the Company’s Bylaws and requirements of the Corporate Governance Regulations issued by the Board of the Capital Market Authority (“CMA”).</p> <p>1.2 These regulations describe the rules and procedures for remunerating board directors, committee members and senior executives.</p>	<p>1. Preamble</p> <p>1.1 This Remuneration Policy was prepared by the SSP, a Saudi Arabia joint-stock company, according to the Companies Law and regulations thereof, the company’s articles of association and requirements of the Companies Governance Regulations.</p> <p>1.2 These regulations describe rules and procedures for remunerating board directors and top executives.</p>
<p>2. Policy Objective</p> <p>2.1 The objective of this Policy is to set clear and specified standards and procedures indicating to the company’s stockholders those applicable conditions, standards and procedures for remunerating board directors, board committee members and senior executives of the Company.</p> <p>2.2 Moreover, this Policy aims at recruiting individuals with adequate competencies, capabilities and expertise for the board of directors, the board committees and the executive management.</p>	<p>2. Policy Objective</p> <p>2.1 The objective of this policy is to set clear and specified standards and procedures indicating to the company’s stockholders those applicable conditions, standards and procedures for remunerating board directors, committee members and top executives of the company.</p> <p>2.2 Moreover, this policy aims at recruiting individuals with adequate efficiency, capabilities and expertise for the board of directors, committees and executive management.</p>
<p>3. General Standards for Remuneration</p> <p>3.1 Without prejudice to the Companies Law and the Capital Market Law and their implementing regulations, the Policy shall observe the following:</p>	<p>3. Remuneration & Allowance Standards</p> <p>3.1 Without prejudice of the Companies Law and the Capital Market Law and executive regulations thereof, the Remuneration Policy shall observe the following:</p>

<p>3.1.1 The Policy shall be consistent with the Company's strategy and objectives.</p> <p>3.1.2 Remunerations shall be granted with the aim of encouraging members of the Board of Directors, its committees and the executive management to achieve the Company's success and its long term development, e.g. by linking the variable part of the remuneration to the Company's long-term performance.</p> <p>3.1.3 Remunerations shall be determined based on the job level, duties and responsibilities assumed by the individual, and his/her educational qualifications, experience, skills and performance level.</p> <p>3.1.4 The Policy shall be consistent with the magnitude, nature and level of risks faced by the Company.</p> <p>3.1.5 The Policy shall take into consideration the practices of other companies in respect of the determination of remunerations. The disadvantages of such comparisons in leading to unjustifiable increases in remunerations and compensations shall be avoided.</p> <p>3.1.6 The Policy shall attract talented professionals and retain and motivate them without exaggeration.</p> <p>3.1.7 The Policy shall be prepared in coordination with the Remuneration and Nomination committee with respect to new appointments.</p> <p>3.1.8 Remunerations shall be suspended, or the concerned member shall return the remuneration to the Company, if it has been determined that such remuneration was based on inaccurate information provided by a member of the Board of Directors, its committees or the executive management, in order to prevent the exploitation of one's position in the Company to derive undeserved benefits.</p> <p>3.1.9 If the Company develops a program to grant some of its shares to Board members and the executive management, whether a new issue or shares purchased by the Company, then the</p>	<p>3.1.1 The Remuneration Policy shall be in line with the company's strategy and objectives.</p> <p>3.1.2 Remuneration shall aim at encouraging board directors and the executive management for the company success and long – run development. For example, the variable part of remuneration can be linked to performance on the long run.</p> <p>3.1.3 Remuneration shall be determined based on the job level, duties and responsibilities of occupants, education, expertise, skills and performance level.</p> <p>3.1.4 The Remuneration Policy shall be in line with the volume, nature and extent of those risks the company faces.</p> <p>3.1.5 The Remuneration Policy shall take into account those exercises of other companies for determining remuneration, avoiding unjustifiable increase in remuneration and compensation.</p> <p>3.1.6 The policy targets recruiting, keeping and encouraging technical competencies with no exaggeration.</p> <p>3.1.7 The Remuneration Policy shall be prepared in coordination with the nomination committee in case of new appointments.</p> <p>3.1.8 The Remuneration Policy shall define cases for remuneration suspension or redemption if found that remuneration was given based on inaccurate information submitted by a director or executive management in order to prevent misuse of an occupation for illegal remuneration.</p> <p>3.1.9 The Remuneration Policy organizes giving stocks at the company to the workers.</p>
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<p>Remuneration and Nomination Committee shall supervise this program in light of the Company's Bylaws and the relevant CMA laws and regulations</p>	
<p>4. Board and Committee's Members Remuneration</p> <p>4.1 The Company's Bylaws determine the remunerating of the members of the Board of Directors.</p> <p>4.2 The regulation of the Board committees define the remuneration and allowances of the committee members.</p> <p>4.3 The remunerations shall be in line with the number of meetings attended by the member of the Board Directors or the committees.</p> <p>4.4 The remunerations shall be reasonably adequate to recruit Directors and committee members with the required capabilities and qualifications.</p> <p>4.5 The remunerations of the independent members of the Board Directors shall not be a share of the Company's profits or based, directly or indirectly, on the Company's profitability.</p> <p>4.6 A member of the Board Directors may be remunerated for any additional works or executive, technical, administrative or advisory positions- by virtue of a professional license – assigned to him/her by the Company, which shall be in addition to his/her remuneration as a member of the Board of Directors and any committees formed by the Board of Directors according to the Companies Law and the Company's Bylaws.</p> <p>4.7 The remunerations shall be based on a recommendation issued by the Remuneration and Nomination Committee.</p> <p>4.8 The remuneration's structure shall be as follows:</p> <p>4.8.1 Board Members:</p> <p>4.8.1.1 Attendance allowance amounting to 3,000 Saudi Riyals per session.</p> <p>4.8.1.2 Accommodation allowance for Board members coming from outside the meeting venue (Dammam) amounting to 2,000 Saudi Riyals per session.</p>	<p>4. Board directors' remuneration</p> <p>4.1 The company's articles of association provide for remunerating the board directors.</p> <p>4.2 The regulations for the board committees shall define remuneration and emoluments for the committee members.</p> <p>4.3 The remuneration shall be in line with meetings attended by the board director or the committee member.</p> <p>4.4 Remuneration shall be reasonably adequate to recruit efficient and well-seasoned directors and committee members.</p> <p>4.5 Remuneration for the independent board directors shall not be a share of the company's profits or based, directly or indirectly, on the company profitability.</p> <p>4.6 A board director may be remunerated for any additional works or executive, technical, administrative or consultative positions- by virtue of a professional license - charged with at the company. This shall be in addition to remuneration as a director and as a member at committees formed by the board of directors according to the Companies Law and the company's articles of association.</p> <p>4.7 Remuneration shall be based on a recommendation by the Remuneration & Nomination Committee.</p> <p>4.8 The remuneration structure shall be as follow:</p> <p>4.8.1 Board directors:</p> <p>4.8.1.1 Emolument: SAR3000 per session.</p>

<p>4.8.1.3 Travel allowance for Board members coming from outside the meeting venue (Dammam) amounting to 1,000 Saudi Riyals per session.</p> <p>4.8.1.4 Fixed annual remuneration amounting to 225,000 Saudi Riyals per annum to members of the Board of Directors (other than the Board Chairman), provided that the Board member attends no less than 75% of the total number of meetings, otherwise the remuneration shall be proportionately calculated to the attendance ratio; which, together with any other remuneration derived from meetings attendance allowances and the Board member participation in any of the committees of the Board, shall not exceed 500,000 Saudi Riyals in the aggregate.</p> <p>4.8.1.5 Fixed annual remuneration amounting to 285,000 Saudi Riyals per annum to the Chairman of the Board of Directors, provided that the he/she attends no less than 75% of the total number of meetings, otherwise the remuneration shall be proportionately calculated to the attendance ratio, which, together with any other remuneration derived from meetings attendance allowances, and the Board Chairman participation in any of the committees of the Board, shall not exceed 500,000 Saudi Riyals in the aggregate.</p> <p>4.8.2 Audit Committee Members:</p> <p>4.8.2.1 Attendance allowance amounting to 3,000 Saudi Riyals per session.</p> <p>4.8.2.2 Fixed annual remuneration amounting to 100,000 Saudi Riyals per annum to members of the Audit Committee (other than the Audit Committee Chairman), provided that the member attends no less than 75% of the total number of meetings, otherwise the remuneration shall be proportionately calculated to the attendance ratio.</p> <p>4.8.2.3 Fixed annual remuneration amounting to 120,000 Saudi Riyals per annum to the Chairman of the Audit Committee, provided</p>	<p>4.8.1.2 Provide hotel booking for directors coming from outside the meeting venue (Dammam) or disbursing an allowance of SAR2000.</p> <p>4.8.1.3 Provide travel tickets, business class, for directors coming from outside the meeting venue (Dammam) or disbursing an allowance of SAR1000.</p> <p>4.8.1.4 Annual remuneration standing at SAR200000 per annum with a maximum limit of SAR500000 subject that a director shall attend at least 75% of meetings; otherwise, the remuneration will be calculated according to the attendance ratio.</p> <p>4.8.2 Committee members:</p> <p>4.8.2.1 Emolument: SAR3000 per session</p> <p>4.8.2.1 Annual remuneration standing at SAR50000 per annum subject that a director shall attend at least 75% of meetings; otherwise, the remuneration will be calculated according to the attendance ratio.</p> <p>4.8.3 Audit Committee Chairman:</p> <p>4.8.3.1 Annual remuneration standing at SAR100000 .</p>
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<p>that he/she attends no less than 75% of the total number of meetings, otherwise the remuneration shall be proportionately calculated to the attendance ratio.</p> <p>4.8.3 Remuneration and Nomination Committee Members:</p> <p>4.8.3.1 Attendance allowance amounting to 3,000 Saudi Riyals per session.</p> <p>4.8.3.2 Fixed annual remuneration amounting to 60,000 Saudi Riyals per annum to all members of the Remuneration and Nomination Committee, provided that the member attends no less than 75% of the total number of meetings, otherwise the remuneration shall be proportionately calculated to the attendance ratio.</p>	
<p>5 .Senior Executives Remuneration</p> <p>5.1 Senior executives remuneration is extremely important to ensure the Company is permanently able to recruit and retain highly qualified members in its executive team. Remuneration is also an important basis on which career succession planning is built.</p> <p>5.2 Senior executives' remuneration consists of fixed wages and incentives programs.</p> <p>5.3 The Board of Directors shall, on the recommendation of the Remuneration and Nomination Committee, determine the types of remuneration for the senior executives, such as fixed remuneration, performance related remuneration and remuneration in the form of stocks, without prejudice to the Implementing Regulation of the Companies Law for Listed Joint Stock Companies.</p> <p>5.4 Senior executives' remuneration must be consistent with the Company's strategic objectives, its business activity, and the skills required to manage the Company, taking into account the sector in which the Company operates and its size.</p>	<p>5. Top Executives Remuneration</p> <p>5.1 Top executives remuneration is extremely important to ensure the company will be permanently able to recruit and keep the most qualified members of the executive team. In addition, remuneration is an important base for the succession planning.</p> <p>5.2 Top executives remuneration consists of fixed pay programs and incentives.</p> <p>5.3 The board of directors shall, without conflict with those regulatory rules and procedures pertinent to joint-stock companies to implement the Companies Law, determine types of remuneration for the top executives such as fixed remuneration, performance related remuneration and remuneration in the form of stocks.</p> <p>5.4 The remuneration shall be based on a recommendation by the Remuneration & Nomination Committee.</p>

<p>5.5 Senior executives' remunerations may be based on performance appraisal in addition to compensation and fixed remuneration by virtue of their contracts and remuneration in the form of stocks.</p> <p>5.6 Key performance indicators include short-term and long-term objectives, profitability indicators, solvency, liquidity, growth and objectives achievement.</p> <p>5.7 The Remuneration and Nomination Committee reviews the incentive scheme for the executive management on regular basis and submits its recommendations to the Board. The performance indicators based on which senior executives' remunerations are granted are monitored, as well as the extent to which these indicators are suitable for the remunerations granted.</p> <p>5.8 Remunerations aim to create the competitive advantage needed to attract and retain highly qualified and experienced employees and to preserve the high level of skills according to the Company needs.</p>	<p>5.5 Top executives may be remunerated based on performance appraisal in addition to compensation and fixed remuneration by virtue of contracts and remuneration in the form of stocks.</p> <p>5.6 Key performance indicators include a pack of short-term and long-term objectives, profitability indicators, solvency, liquidity, growth and objectives achievement.</p> <p>5.7 Control applying performance indicators upon which remuneration is given to top executives and workers as well as to control to what extent such indicators are appropriate for give remuneration.</p> <p>5.8 Remuneration aims at creating the required competitiveness to recruit and keep qualified and efficient employees and preserve the high level of skills that the company needs.</p>
<p>6. Role of the Remuneration & Nomination Committee</p> <p>6.1 Prepare a clear policy for remunerations of the members of the Board of Directors, its committees and the executive management and presenting such policy to the Board of Directors for consideration before its submission to the general assembly for its approval, provided that such policy takes into account standards that are linked to performance, and disclosing and ensuring the implementation of such policy.</p> <p>6.2 Clarify the relationship between the already given remuneration and the Policy showing any essential deviation from the Policy.</p> <p>6.3 Periodic review of the Policy and assessing effectiveness of the same in achieving defined objectives.</p> <p>6.4 Provide a recommendation to the Board of Directors with regard to remunerations of the members of the Board Directors, the</p>	<p>6. Role of the Remuneration & Nomination Committee</p> <p>6.1 Prepare a clear policy for remuneration of the board directors, committees formed of board directors and executive management to report the same to the board of directors that considers the same for approval by the general assembly, subject that such policy shall adopt, disclose and ensure fulfilling standards for performance.</p> <p>6.2 Clarify the relationship between the already given remuneration and the applicable remuneration policy showing any essential deviation from such policy.</p> <p>6.3 Periodic review of the remuneration policy and assessing effectiveness of the same in achieving defined objectives.</p>

<p>Committees formed by the Board of Directors and the senior executives according to the Policy.</p>	<p>6.4 Give a recommendation, to the board of directors, about remuneration for board directors, committees formed of directors and top executives according to the applicable policy.</p>
<p>Not applicable.</p>	<p>7. Remuneration in the form of stocks</p> <p>7/1 The company may give remuneration in the form of stocks to top executives and workers according to the employee's stocks program approved by the company.</p>
<p>7. Remuneration disclosure</p> <p>7.1 Remuneration granted to the Board of Directors members, the committees' members and the executive management, directly or indirectly, shall be disclosed accurately, transparently and in detail in the Board of Directors' report, without any omission or misleading information, and whether such remunerations were in cash or other benefits of any nature. In case that given remunerations were shares of the Company, the value of the shares is the market value on the due date.</p> <p>7.2 The relationship between the remunerations granted and the Policy shall be clarified, highlighting any significant deviation from the Policy.</p> <p>7.3 The Board of Directors shall disclose, in the annual report, particulars of such remuneration and compensation granted to the following:</p> <p>7.3.1 Board directors</p>	<p>8-Remuneration Disclosure</p> <p>8.1 Remuneration given to the board directors and top management, directly or indirectly, shall be disclosed accurately, transparently and in detail at the board of directors' report without concealment or deception whether such remuneration is amounts, benefits or privileges of whatever nature or name. In case that given privileges are stocks at the company, such stocks shall be registered at the market value at date of accrual.</p> <p>8.2 The relationship between the already given remuneration and the applicable remuneration policy shall be clarified showing any essential deviation from such policy.</p> <p>8.3 The board of directors shall disclose, at the annual report, particulars of such remuneration and compensation paid to the following:</p> <p>8.3.1 Board directors</p> <p>8.3.2 Five top executives who received highest remuneration from the company subject that the CEO and the CFO shall be of those five top executives.</p> <p>8.3.3 Committee members</p>

<p>7.3.2 Five senior executives who received the highest remuneration from the Company, provided that the CEO and the CFO shall be included among them.</p> <p>7.3.3 Committee members</p>	
<p>8. General Provisions</p> <p>8.1 This Policy shall be subject to annual review and consideration. Any amendments to the Policy shall be subject to the approval of the general assembly of the Company pursuant to a proposal by the Board based on a recommendation by the Remuneration and Nomination Committee.</p> <p>8.2 Upon approval by the Company's general assembly. this Policy shall be effective from January 1st, 2025.</p>	<p>9. Amendments to the regulations</p> <p>9.1 These regulations shall be subject to annual review and consideration and whatever changes in the same shall be subject to the board recommendation and approval of the general assembly.</p>