



Integrated transportation solutions



Amendments of N&R Charter



Amendments of NRC

#	Article before update	Article After update
1	<p>First: Objectives, scope, controls and work procedures</p> <p>1-The objectives of the committee are to provide support and advice to the Board of Directors in performing its oversight responsibilities in nominating, independence and integrity of Board of Directors members, studying and reviewing the organizational structures of the Board of Directors and the executive management of the company, and developing policies and standards for granting rewards to members of the Board of Directors and senior executives.</p> <p>2- The scope of the committee's work. This regulation specifies the guidelines, standards, and principles for organizing the committee's work in the company, and the provisions of the regulation are applied in a manner that does not conflict with the corporate governance regulation. 3- Controls and procedures for the committee's work.</p> <p>3/1 The company's general assembly shall issue - based on a proposal from the Board of Directors - the work regulations of the Remuneration and Nominations Committee, provided that this regulation includes the controls and procedures for the committee's work, its tasks, and the rules for selecting its members, the duration of their membership, and their remuneration.</p> <p>3/2 The committee shall be responsible for its work before the Board of Directors, without prejudice to the Board's responsibility for those work and for the powers or authorities delegated to it.</p>	<p>First: The objectives of the committee</p> <p>1-The objectives of the committee are to provide support and advice to the Board of Directors in performing its oversight responsibilities in nominating, independence and integrity of members of the Board of Directors, studying and reviewing the organizational structures of the Board of Directors and the executive management of the company, and developing policies and standards for granting rewards to members of the Board of Directors and senior executives.</p>



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2	<p>Second: Formation of the committee</p> <p>1 - By a decision of the Board of Directors, a committee called the Remuneration and Nominations Committee shall be formed from non-executive members of the Board of Directors, provided that at least one of them is an independent member. It is permissible to seek assistance from non-executive members or persons other than members of the Board, whether they are shareholders or others. 2- The number of committee members should not be less than three and not more than five. 3- The committee chairman must be an independent member. 4-The committee appoints a secretary, whether from among its members or from whomever it deems appropriate from the company's team, to prepare for the committee's meetings and work, prepare and document its minutes, and follow up on the implementation of its recommendations, directives, and decisions, without having the right to vote on its recommendations and decisions.</p>	<p>Second: Formation of the committee</p> <p>2.1 - By a decision of the Board of Directors, a committee called the Remuneration and Nominations Committee shall be formed from members other than the executive members of the Board of Directors, provided that at least one of them is an independent member. It is permissible to seek assistance from non-executive members or persons other than members of the Board, whether they are shareholders or others, and the number of its members shall not be less than Three and no more than five, and the rules for selecting its members are as follows:</p> <p>2.1.1 The candidate must have a record of experience related to reward and nomination tasks.</p> <p>2.1.2 The candidate must have good knowledge of the business and the skills and experience required to manage it.</p> <p>2.1.3 The candidate must not have been convicted of committing an act dishonorable or dishonest or in violation of the relevant laws and regulations.</p> <p>2.2 Unless the Board of Directors' decision includes the nomination of the Chairman of the Committee, the members of the Committee shall choose from among themselves a Chairman for the term of the Committee's membership, provided that he is an independent member of the Board of Directors. In the event of the Chairman of the Committee's absence from the meeting, the present Committee members shall appoint the Chairman of the meeting.</p> <p>2.3 The committee member shall carry out his duties from the date of his appointment by the Board of Directors, and his membership shall end in one of the following cases:</p> <p>2.3.1 End of the Board of Directors session.</p> <p>2.3.2 His resignation, without prejudice to the company's right to compensation if the resignation occurred at an inappropriate time.</p> <p>2.3.3 He suffers from a mental illness or physical disability that prevents him from performing his duties on the committee.</p> <p>2.3.4 Conviction of committing an act dishonorable or dishonest, forgery, or violating the relevant laws and regulations.</p> <p>2.3.5 A decision is issued by the Board of Directors to exempt him from membership of the Committee for any of the following reasons:</p> <p>2.3.5.1 Failure to fulfill his responsibilities, tasks and duties, which results in harm to the company's interest.</p> <p>2.3.5.2 Absence from three consecutive meetings within one year without a legitimate excuse.</p> <p>2.3.5.3 Other than the reasons mentioned above that the Council deems appropriate; This is without prejudice to the dismissed member's right towards the company to claim compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time.</p> <p>2.3.6 Loss at any time of any of the selection rules for membership of the Remuneration and Nominations Committee stipulated in accordance with these regulations.</p> <p>2.4 If the position of a committee member becomes vacant in one of the previous cases or other during the term of membership, the Council may appoint a member to fill the vacant position, provided that he is one of those who fulfills the selection rules for committee membership referred to in these regulations, and the new member shall complete the term of his predecessor.</p> <p>2.5 The committee appoints a secretary, whether from among its members or from whomever it deems appropriate from the company's team, to prepare for the committee's meetings and work, prepare and document its minutes, and follow up on the implementation of its recommendations, directives, and decisions, without having the right to vote on its recommendations and decisions.</p>

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#	Article before update	Article After update
3	<p>Third: Tasks and competencies</p> <p>1- Prepare a clear policy for the remuneration of members of the Board of Directors and the committees emanating from the Board and Executive Management, and submit it to the Board of Directors for consideration in preparation for its approval by the General Assembly, provided that this policy takes into account following standards related to performance, disclosing them, and verifying their implementation. 2- Clarifying the relationship between the rewards granted and the applicable rewards policy, and indicating any material deviation from this policy. 3- Periodically review the remuneration policy and evaluate its effectiveness in achieving the desired goals. 4- Recommending to the Board of Directors the remuneration of members of the Board of Directors, its committees, and the company's senior executives in accordance with the approved policy. 5- Proposing clear policies and standards for membership in the Board of Directors and Executive Management. 6- Recommending to the Board of Directors to nominate and re-nominate members in accordance with the approved policies and standards, taking into account not to nominate any person who has previously been convicted of a crime involving breach of trust. 7- Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and filling executive management positions. 8- Determine the time that the member must devote to the work of the Board of Directors. 9- Annual review of the necessary skills or experience needed for membership in the Board of Directors and executive management functions. 10- Review the structure of the Board of Directors and Executive Management and provide recommendations regarding the changes that can be made. 11- Verifying on an annual basis the independence of the independent members, and the absence of any conflict of interest if the member holds a membership in the board of directors of another company. 12- Establishing job descriptions for executive members, non-executive members, independent members, and senior executives. 13- Establishing special procedures in the event that the position of a member of the Board of Directors or senior executives becomes vacant. 14- Identify the weaknesses and strengths of the Board of Directors, and propose solutions to address them in accordance with the company's interest</p>	<p>Third: Tasks and competencies</p> <p>3.1: Rewards</p> <p>3.1.1 Prepare a clear policy for remuneration for members of the Board of Directors, its committees, and the executive management, and submit it to the Board of Directors for consideration in preparation for its approval by the General Assembly, provided that this policy takes into account following standards related to performance, disclosing them, and verifying their implementation.</p> <p>3.1.2 Review the remuneration policy periodically to ensure its suitability to the changes that may occur in relevant legislation and regulations, the company's strategic objectives, and the skills and qualifications necessary to achieve them, and recommend to the Board of Directors regarding the proposed changes to this policy.</p> <p>3.1.3 Clarifying the relationship between the rewards granted and the applicable rewards policy, and indicating any material deviation from this policy.</p> <p>3.1.4 Providing recommendations to the Board of Directors regarding the remuneration of its members, members of its committees, and senior executives, in accordance with the approved policy.</p> <p>3.1.5 Ensure the existence of a performance-linked incentive plan approved by the Board to support the promotion of the long-term strategic objectives identified by the Board of Directors, and link the granting of these incentives to the achievement of the identified strategic objectives.</p> <p>3.1.6 Periodically conduct comparative studies of the wages and rewards system in the sector in which the company operates.</p> <p>3.1.7 Develop and periodically review remuneration policies, including fixed wages, bonuses, setting fees for attending Board of Directors meetings, and monitoring compliance with legislation related to the remuneration of Board members.</p>



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Management. 6- Recommending to the Board of Directors to nominate and re-nominate members in accordance with the approved policies and standards, taking into account not to nominate any person who has previously been convicted of a crime involving breach of trust. 7- Preparing a description of the capabilities and qualifications required for membership in the Board of Directors and filling executive management positions. 8- Determine the time that the member must devote to the work of the Board of Directors. 9- Annual review of the necessary skills or experience needed for membership in the Board of Directors and executive management functions. 10- Review the structure of the Board of Directors and Executive Management and provide recommendations regarding the changes that can be made. 11- Verifying on an annual basis the independence of the independent members, and the absence of any conflict of interest if the member holds a membership in the board of directors of another company. 12- Establishing job descriptions for executive members, non-executive members, independent members, and senior executives. 13- Establishing special procedures in the event that the position of a member of the Board of Directors or senior executives becomes vacant. 14-Identify the weaknesses and strengths of the Board of Directors, and propose solutions to address them in accordance with the company's interest</p>	<p>Third: Tasks and competencies</p> <p>3.2: Board of Directors</p> <p>3.2.1 Preparing a policy and standards for Board of Directors membership, and recommending them to the Board for approval by the company's General Assembly.</p> <p>3.2.2 Recommending to the Board of Directors to nominate and re-nominate its members in accordance with approved policies and standards.</p> <p>3.2.3 Reviewing the Board of Directors membership policy periodically to ensure its suitability to changes that may occur in relevant legislation and regulations, the company's strategic goals and the skills and qualifications necessary to achieve them, and recommending to the Board of Directors regarding the proposed changes to this policy.</p> <p>3.2.4 Determine the time that a member must allocate to the work of the Board of Directors in order to prepare for meetings and review documents and reports sent before and after the meeting.</p> <p>3.2.5 Ensure that there is an introductory program for new members of the Council about the company's business and support the Council with training courses.</p> <p>3.2.6 Review the structure of the Board of Directors, its committees, and the executive management, and provide recommendations regarding changes that may occur to this structure.</p> <p>3.2.7 Verify on an annual basis the independence of the independent members and the absence of any conflicts of interest.</p> <p>3.2.8 Verifying whether the member of the Board of Directors is competing with any of the company's businesses or competing with it in the activities or one of the branches of the activity it is practicing and making recommendations to the Board in this regard, after receiving the member's notification of the competing business that he wishes to practice based on the concept of competition business, in accordance with the following standards.</p> <p>3.2.8.1 Study the Board Member's notification of the competing business he wishes to practice from a technical standpoint.</p> <p>3.2.8.2 Study the market or markets in which the competing business or any of its related products is located.</p> <p>3.2.8.3 Study the relationship of the competing business to the company's strategy and future directions.</p> <p>3.2.8.4 In order to carry out the aforementioned verification, the committee may obtain the information it specifies, and it may also seek the assistance of whomever it deems appropriate to conduct the necessary studies or estimates.</p> <p>3.2.9 Establishing special procedures in the event that the position of a member of the Board of Directors or a senior executive becomes vacant.</p> <p>3.2.10 Develop job descriptions for executive members, non-executive members, and independent members.</p> <p>3.2.11 Identify the strengths and weaknesses of the Board of Directors, in addition to proposing appropriate solutions in accordance with the interest of the company.</p> <p>3.2.12 Recommending to the Board of Directors performance standards to evaluate the work of the Board of Directors, its members, and its emerging committees.</p> <p>3.2.13 Conduct any other activities in accordance with the terms of reference of the Remuneration and Nominations Committee, as the Board of Directors deems necessary and appropriate to ensure compliance with the corporate governance guidelines issued by the Capital Market Authority and related regulations.</p>



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4	<p>Fourth: Rules for selecting members</p> <p>The member must have the academic qualifications, professional skills, practical experience relevant to the company's current and future activities, and the willingness and ability to devote the time necessary to carry out the responsibilities required of him by his membership in the committee.</p>	Deleted (due to its inclusion in the committee formation article)
5	<p>Fifth: Appointment of the member, the duration of his membership, and his exemption from the committee</p> <p>1- The Board of Directors approves the members of the Remuneration and Nominations Committee. 2- The term of committee membership shall be three years and shall not exceed the term of one session of the Board of Directors. 3- The member may be reappointed to the committee for a second term. 4- Any member of the committee will be exempted by a decision of the Council in the following cases: 4/1- The member requests to be exempted from committee membership. 4/2- A member's misuse of his position in the committee or misconduct that the Board considers harmful to the objectives and reputation of the company in general and the committee in particular. 4/3- The member's absence from attending three consecutive meetings without an excuse accepted by the Board of Directors. 5- Upon the expiration of the member's term during the term of the committee's work due to death, resignation, disability, or dismissal, the Board of Directors shall appoint another member to fill the vacant position in the committee, taking into account the conditions that must be met by a member of the committee. Both the member whose position in the committee was vacant and the member whose position was vacant are considered He is appointed to continue the term of service of the member whose position on the Committee has become vacant. They have served for a full term of the Committee.</p>	Deleted (due to its inclusion in the committee formation article)
6	NEW Article	<p>Fourth: The powers of the committee</p> <p>In order for the Remuneration and Nominations Committee to perform its duties, it will have the following powers:</p> <ul style="list-style-type: none"> - Requesting information and data that would assist the committee in studying the issues within its jurisdiction, or those referred to it by the Board of Directors. - Seeking the assistance of any experts, specialists, or others it deems appropriate to study the topics that fall within its duties and responsibilities, after the approval of the Board of Directors.



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7	<p>Seventh: Committee meetings:</p> <p>1- The committee meets at least twice a year and whenever the need arises. 2- For the committee meeting to be valid, the presence of the majority of its members is required. The committee's decisions and recommendations are issued by a majority of the votes of its members present. In the event of a tie, the side with the Chairman shall prevail, and it is not permissible to abstain from voting or delegate it. 5- In the event that the Chairman of the Committee is unable to attend, he may delegate one of its members to chair the specified session. 6-The Board of Directors follows up the work and performance of the committee through its Chairman and through periodic reports submitted to the company's Board of Directors. 7- All inquiries and requests the committee needs will be submitted through its chairman to the company's management so that what is requested can be responded to.</p>	<p>Seventh: Committee meetings:</p> <p>1- The committee meets at least twice a year and whenever the need arises</p> <p>2. The invitation to attend the committee meeting shall be sent at least five days in advance, and the agenda, documents and information necessary to discuss the topics presented to the committee meeting and make decisions thereon shall be attached to the meeting invitation. 3- For the committee meeting to be valid, the presence of the majority of its members is required. The committee's decisions and recommendations are issued by a majority of the votes of its members present. In the event of a tie, the side with the Chairman shall prevail, and it is not permissible to abstain from voting or delegate it. 4-The Board of Directors follows up the work and performance of the committee through its Chairman and through periodic reports submitted to the company's Board of Directors. 5- All inquiries and requests the committee needs will be submitted through its chairman to the company's management so that what is requested can be responded to.</p>
8	<p>Eighth: Documenting the committee's minutes</p> <p>The minutes of the committee's meetings are documented as follows: 1- The committee's secretary prepares a minute for each meeting in which he records the date and place of the meeting, the names of those present and absent, a summary of the discussions, and the texts of the recommendations and decisions reached by the committee. 2- The draft minutes are sent to all members and they are asked to provide the committee with their comments. 3- The draft minutes are amended in light of the comments received from the members and are submitted to the president, along with the comments. 4- In light of what the Committee Chairman directs, the minutes shall be prepared in its final form and sent to the members and signed by the Committee members and its Chairman. 5- If any comments or reservations are received from members, they will be included in the agenda of the next meeting. 6- The signed copy of the minutes is kept in a special file, and all documents and correspondence related to the minutes are attached to it.</p>	<p>Eighth: Documenting the committee's minutes</p> <p>The minutes of the committee's meetings are documented as follows: 1- The committee's secretary shall write a minute for each meeting in which he records the date and place of the meeting, the names of those present and absent, a summary of the discussions, and the texts of the recommendations and decisions reached by the committee, within a period not exceeding 10 working days. 2- The draft minutes are sent to all members and they are asked to provide the committee with their comments. 3- The draft minutes are amended in light of the comments received from the members and are submitted to the president, along with the comments. 4- In light of what the Committee Chairman directs, the minutes shall be prepared in its final form and sent to the members and signed by the Committee members and its Chairman. 5- If any comments or reservations are received from members, they will be included in the agenda of the next meeting. 6- The signed copy of the minutes is kept in a special file, and all documents and correspondence related to the minutes are attached to it.</p>



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9	<p>Ninth: Committee members' remuneration policy:</p> <p>Remuneration and allowances for the attendance of committee members are determined in accordance with the remuneration policy for members of the Board of Directors and the committees emanating from the Board of Directors as follows:</p> <p>1-Attendance allowance for committee meetings equivalent to 5,000 riyals per session.</p> <p>2- An annual reward amounting to (130,000) riyals, provided that the entitlement to this reward is proportional to the number of meetings that the member attends, and he is entitled to the full reward if he attends 70% of the committee's meetings.</p> <p>- The Board of Directors' report to the General Assembly must disclose all remuneration and benefits disbursed to members of the committee</p>	<p>Eighth: Committee members' remuneration policy:</p> <p>1- The committee member is entitled to an annual bonus in accordance with the remuneration policy for members of the Board of Directors, sub-committees and senior executives approved by the company's General Assembly.</p> <p>2- The Board of Directors' report to the General Assembly must disclose all rewards and benefits paid to members of the committee</p>
10	<p>Tenth: Accreditation and enforcement</p> <p>- These regulations shall be implemented as of the approval of the Board of Directors and their approval by the General Assembly of the company's shareholders.</p>	<p>Ninth: Review and Enforcement:</p> <p>1- The regulations are subject to periodic review for the purpose of developing and updating them in line with the relevant laws and regulations and according to what the Board deems appropriate. No amendment may be made to them except upon the recommendation of the Board of Directors, provided that they are presented to the Ordinary General Assembly for approval.</p> <p>2- The regulations shall be effective from the date of their approval by the company's general assembly.</p>

