

# REMUNERATION & NOMINATION

For Members of the Board of Directors, Board Sub-Committees and Executive Management

Version 0.5 Effective, 9/29/2025

## Authorization:

The content of this document has been reviewed and approved as follows:

Version 0.5						
Position	CHRO	CEO	NRC NRC Secretary	Board of Directors BOD Secretary	General Assembly	
					Meeting No.	
<b>Name</b>	Nassar AlOnaizy	Abdulrahman AlDokheel	Nassar AlOnaizy,	Hani Albukhaitan	Meeting date:	
<b>Signature</b>					<b>Name:</b>	
					<b>Position:</b>	GA Secretary
<b>Approval Date</b>					<b>Signature</b>	

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## 1. Introduction and Purpose of the Policy

Mutakamela Insurance Company, a public joint-stock company registered in the Kingdom of Saudi Arabia ("KSA"), holds Commercial Registration number 1010235601 dated 26/06/1428H, with its registered address at Safwah Trading Center, Khurais Road, Malaz District, Riyadh, P.O. Box 3540, Postal Code 11481 (referred to as "Mutakamela" or the "Company").

This policy has been established to define and clarify the remuneration for the Board of Directors (the "Board") and committee members (the "Committees"), ensuring fair compensation (the "Policy") in accordance with the Companies Law issued by Royal Decree No. (M/132) dated 01/12/1443AH, as well as regulations from the Insurance Authority ("IA") and the Capital Market Authority ("CMA").

The Policy aims to set clear standards and conditions to inform shareholders about the terms, conditions, and procedures for granting remuneration to Board , Committee member and Executive Management.

This policy applies to all candidates for the Board of Directors ,sub-committees and Executive Management

## 2. Policy Approval, Implementation, and Review

The Nomination and Remuneration Committee is tasked with preparing this Policy and presenting it to the Board for approval by the General Assembly.

The Policy becomes effective upon ratification by the Company's General Assembly.

The Policy will be periodically reviewed to ensure its effectiveness and alignment with best practices and legal standards.

The Nomination and Remuneration Committee will conduct an annual review of this Policy and submit recommendations to the Board for any necessary updates or amendments in response to changes in laws and regulations.

Any provisions not addressed in this Policy will adhere to the Saudi Companies Law, CMA regulations, and IA regulations.

This Policy will be published on the Company's website for accessibility to shareholders and stakeholders. A copy of the Policy (and any amendments) will also be submitted to the IA in compliance with applicable regulations.

## 3. Nomination

### Criteria

**Quality and Experience:** Candidates must have relevant professional experience in insurance, finance, or management.

**Reputation:** Candidates should possess a good reputation and a proven record of professional performance.

**Diversity:** Encouragement of diverse backgrounds and experiences to enhance decision-making.

**Commitment:** Candidates must demonstrate the ability to dedicate the necessary time and effort for effective involvement.

## Procedure

**Formation of the Nomination Committee:** A committee of Board members shall be established to evaluate candidates.

**Data Collection:** Candidates are required to submit CVs and necessary information.

**Candidate Evaluation:** The committee will assess the qualifications and professional backgrounds of the candidates.

**Interviews:** Interviews may be conducted with shortlisted candidates.

**Recommendation Submission:** The committee will present its recommendations to the Board regarding suitable candidates.

**Approval from the Insurance Authority:** Must be obtained for the candidate to ensure compliance with regulatory requirements and to verify the candidate's suitability for the position.

**Conflict of Interest Assessment:** All candidates for Board and Committee positions must disclose any existing or potential conflicts of interest, including business relationships, cross-directorships, or financial interests in entities that may interact with the Company. The Nomination Committee will assess these disclosures and ensure compliance with the Companies Law, CMA regulations, and the Company Conflict of Interest Policy before recommending candidates for approval.

## 4. General Standards for Remuneration

In accordance with the Saudi Companies Law, CMA regulations, and IA regulations, as well as the Company bylaws, the following principles will guide the Committee's recommendations on remuneration for Board and Committee members:

- Consistency with the Company's strategy, objectives, and management skills required.
- Alignment with the nature and level of risks faced by the Company.
- Provision of remuneration that encourages the success and long-term development of the Company.
- Consideration of practices from other companies to avoid unjustifiable increases in remuneration.
- Coordination with the Nomination and Remuneration Committee for new appointments.
- Consideration of circumstances under which remuneration may be suspended or reclaimed if based on inaccurate information.
- Regulation of Company stock grants to Board members, whether newly issued or purchased.

## 5. Remuneration of Board Members

Board member remuneration will consist of a specified cash amount, attendance allowances, in-kind benefits, or a percentage of the Company's net profit, or a combination thereof, in accordance with Article (19) of the Company's Bylaws. Entitlement to remuneration is based on the date of joining the Board, duration of membership, and number of meetings attended.

Remuneration may vary based on experience, expertise, duties, independence, and meeting attendance, in accordance with relevant laws and regulations.

Components of Board member remuneration include:

- Fixed remuneration of 200,000.00 Saudi Riyals annually.
- Attendance allowance of 3,000.00 Saudi Riyals per session attended.
- Refund of actual expenses incurred by Board members residing outside Riyadh for attending Board meetings, including travel and accommodation.

The Board's report to the General Assembly will include all benefits received by members during the financial year, including remuneration and allowances, and attendance records.

Independent Board members' remuneration shall not be a percentage of the Company's income or based on profitability.

The Board will submit remuneration proposals to the General Assembly for approval, and disbursement may only occur after such approval. Board members are prohibited from voting on their own remuneration.

Board members may receive additional remuneration for any executive, technical, administrative, or consulting roles assigned by the Company.

The Nomination and Remuneration Committee will create and annually review evaluation forms and procedures to assess the performance of Board members.

- The Committee shall evaluate the overall performance of the Board of Directors on a periodic basis.
- The Committee shall assess the performance of each Board member individually, based on defined criteria.
- The Committee shall verify the independence of each Board member annually in accordance with applicable regulations.

## 6. Remuneration of Committee Members

Remuneration for Board Committee members (including sub-committees) will consist of:

- Fixed remuneration of 75,000.00 Saudi Riyals annually.
- Attendance allowance of 3,000.00 Saudi Riyals per session attended.
- Allowance for travel, accommodation, and subsistence expenses in line with the Company's policies.

Committee membership remuneration is fixed at 75,000 Saudi Riyals per committee, regardless of the number of committees a member serves on, and whether the member is a Board member or an external individual from outside the Board.

An additional amount of 40,000 Saudi Riyals is allocated for the Board secretary, and 30,000 Saudi Riyals is allocated for the subcommittees' secretaries.

To ensure the development of specialized expertise, staff members may serve as the secretary of no more than one committee at any given time

The Nomination and Remuneration Committee will provide recommendations to the Board for approval of Committee member remuneration.

A Committee member's entitlement to remuneration is based on membership duration and meeting attendance.

Board members must abstain from voting on remuneration for Committees they are part of.

The Nomination and Remuneration Committee will develop and annually review evaluation forms and procedures for Committee members' performance.

## 7. Executive Management

### Scope of Policy Application

The scope of this policy applies to the remuneration of executive management in the company.

### Requirements for Implementing the Executive Management Remuneration Policy

The implementation of this policy must comply with the regulatory requirements applicable to joint stock companies in the Kingdom of Saudi Arabia.

This policy must align with the governance regulations issued by the company and the standards of the company's bylaws approved by the General Assembly and regulatory authorities.

Ensure that the considerations for compensation align with the company's strategy and regulations.

Following necessary reviews and studies, the committee will submit its recommendations to the Board of Directors regarding the remuneration or benefits or salaries offered to senior executives for approval.

The evaluation of remuneration is based on multiple performance metrics, including measurements of internal control performance and risk management, ensuring their application fairly assists in achieving objective results.

Ensure appropriate disclosure of executive management remuneration and compliance with instructions and regulations issued by supervisory and regulatory authorities in the Kingdom of Saudi Arabia, and present them to the Board for submission to the General Assembly, documenting all remuneration and benefits in the Board's report.

Ensure accuracy and transparency in disclosing and detailing in the Board's report about the remuneration granted to executive management, whether that remuneration is direct or indirect, without concealment or misrepresentation. If the remuneration includes amounts or benefits, regardless of their nature and name, and if the benefits are shares in the company, the value recorded for the shares should be the market value at the date of entitlement.

Remuneration should be determined based on the level of the position, the tasks and responsibilities assigned to the holder, educational qualifications, practical experiences, skills, and performance level.

Remuneration should be consistent with the size, nature, and degree of risks faced by the company. Consider the practices of other companies in determining remuneration, avoiding any unjustified increases in remuneration and compensation.

Take into account the recommendations from the Nomination and Remuneration Committee.

Payment of remuneration should be suspended or reclaimed if it is determined that it was awarded based on inaccurate information provided by executive management, to prevent the exploitation of the position for undeserved remuneration.

Link remuneration and compensation to performance.

## 8. Disclosure

The Board will adhere to relevant disclosure obligations regarding this Policy and remuneration received by Board and Committee members, as well as any other obligations required by applicable KSA laws and regulations from the Ministry of Commerce, CMA, and/or IA.

### Document Information

<b>Document</b>	<b>Remuneration and Nomination – Board and Sub-Committees</b>
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### Amendments and Updates

<b>Version</b>	<b>Date</b>	<b>Modifications</b>	<b>Author</b>
0.5	SEP,2025	Changing the name, Comply with new regulation	Nassar Al Onaizy, CHRO Alhanouf Alnafea, Legal & Governance Manager
0.4	FEB.2024	Update	Legal & Governance
0.3	NOV, 2022	Update	Nassar Al Onaizy, CHRO
0.2	NOV,2021	Update	Madeni Al Sumeiri, CHRO
0.1	FEB,2016	Update	Head of HR & Government Relations