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DECEMBER 31,2020

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LNK TO VIEW THE BOARD OF DIRECTORS'REPORT FOR FISCAL YEAR 2020

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Report of the Audit Committee of the General Assembly for the fiscal year ending on December 31, 2020

Dear M/s shareholders of ALGASSIM INVESTMENT HOLDING COMPANY,

Peace and mercy of Allah and his blessings may be upon you,

The Audit Committee of ALGASSIM INVESTMENT HOLDING COMPANY, in compliance with Article (104) of the Companies Law, is pleased to submit its annual report for the fiscal year 2020 to the Company's Board of Directors and to the Company's shareholders in accordance with Article (91) of Corporate Governance issued by the Capital Market Authority as well as Paragraph 8.3 of Chapter VIII (Disclosure and Transparency) of the Corporate Governance Regulations.

Composition of The Committee

The Audit Committee ("Committee") is an independent committee directly linked to the Board of Directors and consisting of 3 members including an external member. The Audit Committee is formed by a decision of the ordinary General Assembly of shareholders, based on a proposal from the Company's Board of Directors, in accordance with the provisions of Article (101) of the Companies Law.

The Committee was composed of the following names, until February 21, 2020, the end of the previous term of the Board:

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| 1. Mr. Badr bin Hamad Al Qadi | Deputy Chairman of the Board of Directors
and Committee Chairman |
| 2. Mr. Sultan bin Abdullah Al Othman | Member of the Board of Directors and
Committee Member |
| 3. Mr. Wani bin Abdullah Alwani | External Committee Member |

The Audit Committee for the new Board of Directors session was formed based on the recommendation of the Board of Directors to the General Assembly of shareholders, and the formation of the Committee was approved by the General Assembly on August 17, 2020. The Audit Committee was formed from the following names:

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| 4. Mr. Badr bin Hamad Al Qadi | Deputy Chairman of the Board of Directors
and Committee Chairman |
| 5. Mr. Sultan bin Abdullah Al Othman | Member of the Board of Directors and
Committee Member |
| 6. Mr. Wani bin Abdullah Alwani | External Committee Member |

The Duties and Responsibilities of the Audit Committee

The Audit Committee is responsible for monitoring the Company's business and activities and verifying the fairness and integrity of the reports, financial statements, and internal control systems. The Committee's duties include, in particular, the following:

- Studying the initial and annual financial statements of the Company before submitting it to the Board of Directors and expressing opinion and recommendation in its regard to ensure its integrity, fairness and transparency;
- Studying any important or unusual issues included in the financial reports;
- Carefully researching any issues raised by the Company's financial director, whoever assumes his duties, the Company's compliance officer, or the auditor;
- Studying the accounting policy followed in the Company and expressing opinion and recommendation to the Board of Directors in its regard;
- Studying and auditing the Company's internal control system;
- Studying the internal audit reports and following up on the implementation of corrective measures for the observations contained therein;
- Recommending to the Board of Directors to appoint an audit officer and suggesting his remuneration;
- Recommending to the Board of Directors to nominate and dismiss auditors, determine their fees, review the scope of their work and the terms of contracting with them, and approving this by the General Assembly;
- Verifying the auditor's independence, objectivity, fairness and effectiveness of audit officer, taking into account the relevant rules and standards;
- Reviewing the Company's auditor's plan and business, and verifying that he has not submitted any technical or administrative work outside the scope of the audit work;
- Answering the inquiries of the Company's auditor;
- Studying the auditor's report and his notes on the financial statements and following up on what has been taken in their regard;
- Reviewing the results of the reports of the regulatory authorities and verifying that the Company has taken the necessary actions in this regard;
- Verifying the Company's compliance with the relevant laws, regulations, policies and instructions;
- Reviewing the contracts and transactions proposed to be conducted by the Company with related parties and submitting opinions on this to the Board of Directors;
- Raising the issues it deems necessary to take action in their regard to the Board of Directors and making recommendations on the measures to be taken.

During the year 2020, the Committee held 4 meetings during which it carried out the following actions:

- The previous session of the Committee ended with the end of the session of the Board of Directors on 22/02/2020. The current Committee was formed after the approval of the General Assembly on August 17, 2020. The Committee was not able to audit and discuss the annual financial statements for 2019, audited and approve by the, and it was also unable to discuss and approve the audited financial statements for the first quarter of 2020;
- The Committee studied the offers of legal audit offices to audit the Company's accounts for the second and third quarters and also the annual financial statements for the fiscal year 2020 and the first quarter of 2021, and ensured that the auditors were from the registered offices in accordance with the rules for registering auditors for the establishments subject to the supervision of the Capital Market Authority. After ensuring the independence of the offices submitting the offers and analyzing

their fees, two offices were nominated and raised to the Board of Directors to recommend to the General Assembly of the shareholders of the Company to choose an office from them to audit the Company's accounts;

- The Committee studied and discussed the financial statements for the second and third quarter of 2020 and then approved them;
- Ensuring the independence of the position of the internal audit officer in the Company, and in this regard the Committee has studied and approved the internal audit charter of ALGASSIM INVESTMENT HOLDING COMPANY and then submitted it to the Board of Directors to consider final approval;
- Discussing important issues that the Company's internal audit official has raised to the Committee that may face the Company in its future businesses, and in this regard, the executive management was asked to provide the Committee with developments in some issues so that the Committee could study and discuss them in the upcoming meetings and issue directives and decide thereon;
- Following up on preparing, reviewing and updating some of the Company's policies and regulations with the consultancy firm that was contracted in this regard, and the first phase of the project has been completed and the following policies and regulations have been approved in the Company in 2020.

#	Policy / Regulation / Manual
1	Regulations of ALGASSIM INVESTMENT HOLDING COMPANY Governance
2	Regulations of the Investment Committee
3	Regulation of Risks Committee
4	Manual of risk management policies and procedures
5	Manual of investment and financing policies and mechanisms
6	Annual mechanisms for evaluating the performance of the Board, its members, committees, and executive management
7	Policies of balance between the goals of the company and society (social responsibility)

Other policies and regulations that will be prepared and updated in the second phase will be followed up until the strength of the Company's internal control is confirmed.

- There was no conflict between the recommendations of the Audit Committee and the decisions of the Board of Directors on any topic or observations.

Also, the Company is still exposed to some risks that affect its performance and development, such as:

- not fully owning the land of a Shri Project, which affects the value of the annual contracted rent and the failure to verify the fate of some of assets of the Company that established them on the land;
- stopping the dates factory for a long time and the Company's decision to establish a company specializing in the manufacture and marketing of dates that has not yet been completed, which led to the disruption of some of the Company's assets;
- the land north of Buraidah and not starting to invest therein.

In conclusion, the Audit Committee supports the annual assurances and declarations by the executive management that there are no observations that may affect the financial reports for the year ending on

December 31, 2020, and it also gives reasonable assurance about the Company's internal control and risk management activities with the recommendation to take the necessary measures to improve and develop the Company's internal control and risk management systems in accordance with best practices and business needs and in line with the Company's activities. With working on corrective plans for all the risks that the Company has gone through, updating work procedures in the Company's various departments, and defining job powers and responsibilities.

Allah grants success,,

Chairman of the Audit Committee
Mr. Badr bin Hamad Al Qadi

Amending the regulations and controls for the work of the audit committee at Al-Qassim Investment Holding Company

Before the amendment	After the amendment
<p><u>First clause: the rules for selecting the audit committee</u></p> <p>The audit committee of Al-Qassim Investment Holding Company shall be formed according to the following rules: -</p> <ol style="list-style-type: none"> 1- The audit committee (the committee) is formed by a decision of the ordinary general assembly of shareholders based on a proposal from the company's board of directors in accordance with the provisions of Article (101) of the Companies Law. 2- The audit committee consists of three members from the shareholders or others, provided that one of them is an independent member, and that it does not include any of the executive board members or senior executives of the company, and that among them is a specialist in financial and accounting affairs. 3- It is not permissible for anyone who has been working during the past two years in the executive or financial management of the company or with the company's auditor to be a member of the audit committee. Also, the chairman of the board of directors may not be a member of the committee. 4- The term of the committee is three years, starting with the beginning of the company's board session and ending with the end of the board session or the remaining period of the board session. The Board may re-nominate a member (s) of the Committee to the General Assembly of Shareholders for another similar period. 5- The members of the committee shall choose a chairman of the committee from among them, provided that he shall be an independent member. 6- The committee appoints a secretary from among its members or whoever it deems appropriate from the company's management team to prepare for its meetings and prepare and document minutes of its meetings. 	<p><u>First clause: the rules for selecting, nomination and the audit committee and term of their membership</u></p> <p>The audit committee of Al-Qassim Investment Holding Company shall be formed according to the following rules: -</p> <ol style="list-style-type: none"> 1- The audit committee (the committee) is formed by a decision of the ordinary general assembly of shareholders based on a proposal from the company's board of directors in accordance with the provisions of Article (101) of the Companies Law. 2- The members of the Council nominate the members of the committee and submit their CVs. Each member can submit more than one candidate, and the council votes on choosing three members to propose to the General Assembly to appoint them. 3- The audit committee consists of three members from the shareholders or others, provided that one of them is an independent member, and that it does not include any of the executive board members or senior executives of the company, and that among them is a specialist in financial and accounting affairs. 4- It is not permissible for anyone who has been working during the past two years in the executive or financial management of the company or with the company's auditor to be a member of the audit committee. Also, the chairman of the board of directors may not be a member of the committee 5- The term of the committee is three years, starting with the beginning of the company's board session and ending with the end of the board session or the remaining period of the board session. The Board may re-nominate a member (s) of the Committee to the General Assembly of Shareholders for another similar period. 6- The members of the committee shall choose a chairman of the committee from among them, provided that he shall be an independent member. 7- The committee appoints a secretary from among its members or whoever it deems appropriate from the company's management team to prepare for its

<p>7- Upon the end of the term of the committee member during the term of the committee's work due to death, resignation, disability or exemption, the council proposes to the nearest general assembly to nominate another member to occupy the vacant member's place and the new member completes the term of his predecessor.</p>	<p>meetings and prepare and document minutes of its meetings.</p> <p>8- Upon the end of the term of the committee member during the term of the committee's work due to death, resignation, disability or exemption, the council proposes to the nearest general assembly to nominate another member to occupy the vacant member's place and the new member completes the term of his predecessor.</p> <p>9- The company is obligated to notify the Authority of the names of the members of the audit committee and their membership qualifications within five working days from the date of their appointment and any changes that occur to that within five working days from the date of the occurrence of the changes</p>
<p><u>Fourth clause: Meetings and controls of the Committee work</u></p>	<p><u>Fourth clause: Meetings and controls of the Committee work</u> addition</p> <p>12 - Committee meetings may be held by modern means of communication</p> <p>13- No member of the Board of Directors or the Executive Management is entitled to attend the meetings of the Audit Committee unless the Committee requests to hear his opinion or obtain his advice. The meetings of the committee shall be limited to its members and its secretary.</p> <p>14 - The Chairman of the Audit Committee, after notifying the CEO, may invite senior executives or any employee of the company to inform the committee about any subject the committee wants to discuss or any of the company's activities.</p>
<p><u>Sixth clause: Remuneration policy for members of the audit committee</u></p> <p>The remuneration of the Company's Audit Committee membership is as follows:</p> <ul style="list-style-type: none"> • Allowance for attending committee meetings is an amount of SR 3,000 (three thousand Saudi riyals) for each member per session. • Ticket allowance for first class round trip tickets for committee members residing outside the Qassim region. • Allowance for attending meetings of the committee secretary, to be determined by the committee as it deems appropriate, and the committee may review and amend the allowance for attending meetings for its secretary from each period to another. 	<p><u>Sixth clause: Remuneration policy for members of the audit committee</u></p> <ul style="list-style-type: none"> • The remuneration of the members of the audit committee and the allowance for attending the sessions of the members of the committee and the secretary of the committee shall be based on what is stated in the remuneration policy for members of the board of directors, the committees emanating from it, and the executive management approved by the general assembly. • Details of the remuneration and attendance allowances received by members of the committee are disclosed within the contents of the annual report of the Board of Directors.

<ul style="list-style-type: none"> • Details of the remuneration and attendance allowances received by members of the committee are disclosed within the contents of the annual report of the Board of Directors. 	
	<p><u>Seventh clause: Reports of the Audit Committee (Addition)</u></p> <ol style="list-style-type: none"> 1- Preparing a report that includes details of its performance of its competencies and tasks stipulated in the Companies Law and its implementing regulations, and the report includes its recommendations and opinions on the adequacy of the internal and financial control and risk management systems in the company. 2- The board of directors is obligated to deposit sufficient copies of this report in the company's head office and to publish a copy of it on the company's website and the market website when publishing the invitation to convene the general assembly to enable whoever wishes among the shareholders to obtain a copy of it and the summary of the report shall be read during the meeting of the general assembly. 3- The Audit Committee submits the minutes of its periodic meetings to the Board of Directors, including its recommendations and observations on the company's performance. 4- The Chairman of the Audit Committee or his representative from among its members shall attend the General Assembly meetings of shareholders in order to answer shareholders' questions and inquiries.
<p><u>Seventh clause: Final Provisions (Publication, Enforcement, and Amendment)</u></p> <p>The provisions of these regulations shall be enforced, and the company shall comply with them as of the date of its approval by the General Assembly of shareholders. Shareholders, the public and stakeholders are given access to it. The contents of these regulations are amended - as needed - based on the recommendation of the Board of Directors, provided that any proposed amendment to it is submitted to the general assembly of shareholders at its nearest meeting for approval.</p>	<p><u>Eighth clause: Final Provisions (Publication, Enforcement, and Amendment)</u></p> <p>The provisions of these regulations shall be enforced, and the company shall comply with them as of the date of its approval by the General Assembly of shareholders. Shareholders, the public and stakeholders are given access to it. The contents of these regulations are amended - as needed - based on the recommendation of the Board of Directors, provided that any proposed amendment to it is submitted to the general assembly of shareholders at its nearest meeting for approval.</p>

Dear M/s shareholders of Al Gassim Investment Holding Co.

After greetings,

The Company's Board of Directors is pleased to submit to you the Board of Directors' proposal on the selection rules and work method for the Nomination and Remuneration Committee which will be formed and whose members will be selected by the Board during 2021. The Board approved the selection rules and work method for the Committee in its Meeting No. (218) held at the General headquarters of Al Gassim Investment Holding Company in Buraidah on Tuesday, 30/03/2010 AD corresponding to Rabi' al-Akhir 14, 1431 AH. The Board would like to submit this proposal to you and recommended the following controls to be approved by your august Assembly:

A. Selection Rules for Nomination and Remuneration Committee

Members:

- 1- The Committee shall be formed of at least three members (preferably an individual number). The Board of Directors shall select them and determine their term of office, provided that it does not exceed the term of the Board of Directors or the remainder of the Board term.
- 2- The majority of the Committee members shall be independent Board members or professionals in accordance with the independence standards specified in the Corporate Governance Regulations.
- 3- At least one member shall be familiar with nomination policies and practices.
- 4- At least one member shall be familiar with governance policies and practices.
- 5- The Committee member shall not be a member of the Board of Executive Directors or someone who performs technical or administrative tasks in the Company, even if it is for advice.

- 6- The Committee member shall not have a direct or indirect interest in the works performed and contracts concluded on behalf of the Company.
- 7- A member may be reappointed to the Committee for more than one term.
- 8- Other than being a member of the Nomination Committee, he/she may not be a member of any other committee formed from among the members of the Board of Directors.
- 9- Any member of the Committee may be removed by a resolution of the Board of Directors.
- 10- Upon the end of term of the Committee member during the Committee term of office due to death, resignation, disability, or removal, the Board of Directors shall appoint another member to fill the vacant position in the Committee. The new member shall complete the unexpired term of his/her predecessor.
- 11- The Committee members may not accept any advisory fees or any compensatory payments made by the Company or any of its subsidiaries, whether direct or indirect payments, except for the fees specified for their services as members of the Committee.

B. Work Method and Duties of the Committee:

- 1- The Committee member shall abide by the provisions complied with by the member of the Board of Directors by keeping the Company secrets. The Committee members may not disclose to the shareholders or others what they have reviewed or examined.
- 2- The Committee shall convene its meetings at least twice a year. A quorum shall be constituted at its meetings only by the presence of the majority of the Committee members.
- 3- The Committee shall also convene a meeting if requested by the Committee chairman or two members of the Committee or the Board.

- 4- The Committee member may not delegate another member to attend the Committee meetings.
- 5- The Committee shall select a chairman from among its members.
- 6- The Committee decisions shall be adopted by the majority of votes of the members present. Its deliberations and decisions shall be recorded in minutes signed by the members present.
- 7- Make recommendations to the Board of Directors on nominations for the Board membership in accordance with the adopted policies and standards.
- 8- Annually review appropriate skills, capabilities and qualifications required for the Board membership, including determining the time allocated to the work of the Board of Directors.
- 9- Review the structure of the Board of Directors and make recommendations to the Board regarding the changes that can be made.
- 10- Identify strengths and weaknesses of the Board of Directors and propose remedies in the best interest of the Company.
- 11- Verify, on an annual basis, the independent members' independence, and ensure that there is no conflict of interest if the member is a member of the board of directors of another company.
- 12- Develop clear compensation and remuneration policies for members of the Board of Directors and senior executives.
- 13- Make proposals on the Board members to be appointed in each committee of the Board.
- 14- Review the Company's corporate governance on an annual basis and propose any amendments.
- 15- Review the laws and procedures to be followed when assessing the performance of each member of the Board or its committees and submit the relevant proposals to the Board.
- 16- Review and propose appropriate changes to compensation policy and procedures.

- 17- Evaluate the effectiveness of the compensation procedures followed by the Company in achieving the strategic objectives.
- 18- Determine and approve the CEO compensation.
- 19- Assess the CEO performance on the basis of the set goals and objectives.
- 20- Approve the executive management compensation determined by the CEO.
- 21- The outcome of the Committee's work and its recommendations shall be submitted to the Board of Directors.

C. Restrictions on the Committee's work:

- 1- The Nomination and Remuneration Committee shall bear the responsibilities and have the powers mentioned above. Nevertheless, the Nomination Committee duties shall not include appointment of members of the Board of Directors and making changes to the corporate governance system and work ethics as these matters fall within the responsibilities of the Board of Directors. The Nomination and Remuneration Committee shall also bear the responsibilities and have the powers mentioned above, but it shall not be responsible for imposing compensation levels, policies and practices. The Nomination and Remuneration Committee shall not make any changes to the compensation and benefits model.
- 2- The Committee shall review this document annually to ensure the effectiveness of the Committee and in order to make proposals to the Board of Directors regarding any amendments to its provisions.

Introduction

The regulations of the Nominations and Remunerations Committee (the Committee) and the membership criteria of Al-Gassim Investment Holding Company have been prepared in accordance with the requirements of the Corporate Governance Regulations issued by the Capital Market Authority. The regulations shall specify the controls and procedures for the Committee's work, its tasks, and the rules for selecting its members, their nomination, membership term and remunerations. The regulations of the Nominations and Remunerations Committee shall be issued by the general assembly of shareholders based on recommendation of the Board of Directors.

Objective

The Nominations and Remunerations Committee plays a major role represented by assisting the Board of Directors in proposing policies and standards of membership related to the Board of Directors and the Executive Management. It also assists the Board in preparing clear policies related to the remunerations of the Board of Directors' members, the committees emanating from it and the Executive Management. Moreover, it monitors the nomination process for membership in the Board of Directors, and verifies the independence of the independent Board Member.

Chapter One: The Regulations of the Nominations and Remunerations Committee

First: The selection rules of the members of the Nominations and Remunerations Committee, the nomination process and their membership term

1. The Nominations and Remunerations Committee (the Committee) shall be formed by a decision of the Board of Directors.
2. The Nominations and Remunerations Committee consists of three non-executive board members. It is possible to appoint external members who are not board members, whether they are shareholders or others who have professional experience and competence; provided that among its members is an independent member of the board of directors.
3. The Board of Directors members shall nominate the Committee members and submit their CVs; whether they are from the board members or external members namely the shareholders or others. Each member can present more than one candidate. The vote shall be made by the Board to choose three members.
4. The Board of Directors shall select a committee member to be the Committee chairman; provided that he is an independent member.
5. The Committee term is three years. It starts with the beginning of the company's board session and ends with the end of the board session or its

remaining period. The Board may reappoint one committee member or more for another similar period/ periods.

6. The Committee shall appoint a secretary from its members or whoever it deems appropriate from the company's management team. The secretary shall prepare for its meetings and document the meetings minutes.
7. Upon the expiry of the committee member term during the Committee's term due to death, resignation, disability, exemption or others, the Board of Directors shall appoint a member for the vacant position who has experience and professional competence; provided that the appointed member shall complete the term of his predecessor.
8. The company shall notify the Authority of the names of the Nominations and Remunerations Committee's members and their membership characteristics within five working days from the date of their appointment. It shall also notify the Authority of any changes that occur to that within five working days from the changes date.

Second: The Tasks and Competencies of the Nominations and Remunerations Committee

1. Preparing a clear remuneration policy for the Board of Directors members, its emanating committees and the Executive Management to maintain the distinguished personnel and motivate the company's administrative staff. It shall submit this policy to the Board of Directors for consideration and approval by the General Assembly. This policy must take into account the following standards related to performance and disclosure and verify its implementation.
2. Clarifying the relationship between the granted remunerations and the remuneration policy in force and indicating any substantial deviation.
3. When needed, periodic review of the remuneration policy and evaluation of its effectiveness in achieving the set objectives.
4. Recommending the remunerations of the Board of Directors members, its emanating committees, and the senior executives of the company, in accordance with the approved policy.
5. Proposing clear policies and criteria for the membership in the Board of Directors and the Executive Management.
6. Recommending to the Board of Directors to nominate its members and re-nominate them in accordance with the approved policies and standards; taking into account not to nominate any person previously convicted of a breach of trust.
7. Preparing a job description for the capabilities and qualifications required for membership in the Board of Directors and for occupying the executive management positions.
8. Reviewing, when needed, the necessary needs of skills or appropriate expertise for board membership and executive management functions.

9. Reviewing the structure of the Board of Directors and executive management and proposing recommendations regarding the changes that can be made.
10. Checking on an annual basis the independence of the independent members. Verifying that there is not any conflict of interest if the member is a board member in another company.
11. Setting special procedures in case the position of a board member or a senior executive becomes vacant.
12. Identifying weaknesses in the board of directors, if any, and proposing solutions to address them in line with the company's interest.
13. Studying and reviewing the CEO's recommendations regarding the appointment and termination of senior executives.
14. Supervising the administrative succession or job replacement of the Board, the CEO and senior executives.

Third: The remuneration policy

The following shall be considered in the company's remuneration policy:

1. Its consistency with the company's strategy and objectives and with the size, nature and degree of the company's risks.
2. Remunerations are granted to motivate the board members and the executive management in order to enhance the company's success and growth in the long term.
3. Remunerations are determined based on the job level, the tasks and responsibilities assigned to the occupant, the academic qualifications, the work experience, the skills and the performance level.
4. The practices of other companies shall be taken into consideration when determining remunerations. Unjustified increase in bonuses and compensations must be avoided.
5. Targeting to attract, maintain and motivate professional competencies without exaggeration.
6. Remuneration disbursement or refund shall be suspended if it is evident that it was decided based on inaccurate information provided by a member of the board of directors or the executive management. Such procedure shall prevent the exploitation of the job position to obtain undue remunerations.
7. Organizing the award of company's shares to members of the Board of Directors and the Executive Management, whether it is a new issue or shares purchased by the company.

Fourth: Nomination procedures

1. When nominating members of the Board of Directors, the Committee must adhere to the terms and conditions stipulated in the Corporate Governance Regulations issued by the Capital Market Authority and the requirements decided by the Authority.
2. The company shall publish the nomination announcement on the company's website, the market website, and in any other means determined by the

Authority. This announcement shall invite persons wishing to run for membership in the company's board of directors; provided that the nomination term shall last at least one month from the announcement date.

3. Every shareholder shall have the right to nominate himself or someone else for membership in the Board of Directors in accordance with the Companies Law and its executive regulations.
4. The number of candidates for the board of directors whose names are presented to the general assembly must exceed the number of available seats so that the general assembly shall have an opportunity to choose from the candidates.

Fifth: Committee meetings

1. The Nominations and Remunerations Committee shall meet periodically at least twice a year and whenever the need arises, by an invitation of its chairman or two of its members.
2. Committee meetings may be held by modern means of communication.
3. It is not permissible for any member of the board of directors or executive management, except for the Committee secretary and its members, to attend its meetings unless the Committee requests his opinion or advice.
4. An invitation to attend the Committee's meetings shall be made by the Committee chairman or whoever he delegates or its secretary before a sufficient period of time. The Committee members shall be provided with the agenda and the necessary documents in sufficient time before the meeting. For the Committee's meetings to be valid, the majority of its members must attend.
5. A member may not delegate someone else to attend Committee meetings.
6. In the event that the Committee chairman is unable to attend the Committee's meeting, he may delegate one of its members to chair the Committee's meeting session.
7. Voting: Each member shall have an equal vote. The Committee's decisions are issued by the majority of members present and represented at the meeting. When votes are equal, the decision voted by the Committee chairman shall prevail.
8. The Committee secretary shall document the Committee's meetings, prepare its minutes that include the discussions and deliberations that took place, document the results of the Committee's recommendations and voting and keep it in a special organized record. He shall prepare a statement of the attendees' names and the reservations they made - if any. The minutes shall be signed by all the present members.
9. The Committee shall have the right to seek technical and legal advice from any external body or independent advisory body to assist it in performing its duties.
10. The committee's meeting minutes and recommendations shall be submitted to the Board of Directors.

11. The Board of Directors shall monitor the Committee work through its chairman or the reports and recommendations that are submitted by the Committee to the Board of Directors.
12. If a Committee member fails to attend more than three consecutive meetings without prior permission from the committee chairman or an acceptable excuse, the Committee shall be entitled to refer to the board of directors to consider the member's resignation.

Sixth: Remunerations of the committee members

1. The remunerations of the members of the Nominations and Remunerations Committee and the attendance allowance of the Committee members and its secretary shall be based on what is stated in the remuneration policy for members of the Board of Directors, its emanating committees and the executive management approved by the General Assembly.
2. Details of the remunerations and attendance allowances received by Committee members shall be disclosed within the contents of the annual report of the Board of Directors.

Seventh: Reviewing and amending the regulations

1. This regulation shall be reviewed by the Nominations and Remunerations Committee when needed to ensure its compatibility with the set objectives in line with the relevant regulations.
2. The Committee shall submit any amendments or recommendations to this regulation to the Board of Directors for study, consideration and approval. It shall be presented to the General Assembly of shareholders for approval.

Chapter two: policies and standards of membership in the board of directors

First: composition of the board of directors

- 1- Number of directors of the company shall be proportional to size of the company and nature of its activity.
- 2- Majority of directors of the board shall be non-executive directors.
- 3- Number of independent directors of the board shall not be less than two directors or third of directors of the board, whichever the more.

Second: appointing the directors

The company shall be managed by a board of directors composed of six directors elected by the ordinary general assembly of the shareholders for a period not more than three years, and they may be elected for other periods. Each shareholder may nominate himself/ herself or one person or more for membership of the board of directors in limits of his/ her ownership in the capital.

Third: conditions and standards of selecting directors of the board of directors

- 1- The director shall not fill position of a director in a board of directors in more than five stock companies enrolled at the same time.
- 2- The director shall not fill position of a director in the board of directors of a competing stock company or a company working in the same main activity of the company except after getting approval from the general assembly.
- 3- No judgment is issued in the past against the nominated person in crimes of immoral behavior and breach of trust.
- 4- The nominated person shall not be insolvent or bankrupt.
- 5- Approval of his/ her place of work if he/ she is an employee in the government.
- 6- It is required that the director shall be professionally qualified person who has the experience, knowledge, skill and independence required to enable him/ her to practice his/ her tasks professionally. It shall be taken into consideration that the director shall have, specially:
 - **Ability to lead:** i.e. to have leadership skills which enable him/ her to get powers in such a way which lead to motivation of performance and applying the best practices in field of effective management and compliance with the professional values and ethics.
 - **Competence:** i.e. to have the proper scientific qualifications and personal and professional skills and level of training and the practical experiences related to the current and future activities of the company or to the management, economy, accounting, law or governability as well as desire to education and training.

- **Ability to give directives:** i.e. to have the management, leadership and technical abilities and speediness in taking the decision and knowing the technical requirements related to progress of work and to be able to direct strategically and clear future vision and planning.
 - **Financial knowledge:** to be able to read and understand the financial reports and statement.
 - **Health fitness:** not to suffer from health obstacle which prevent him/ her from practicing his/ her tasks and specialties.
- 7- The nominated person shall not have conflict of interests and his/ her values shall accord values of the company and shall have the enough time to perform his/ her tasks as a director of the board and shall attend regularly in meetings of the board.
 - 8- The nominated person shall be familiar with the international and local markets and shall know activities of the company and shall have relations which serve interests of the company.
 - 9- The nominated person shall have the ability to work in the team and shall have experience in crises management and know and control the risks.
 - 10- The nominated person shall have personal integrity as the director shall represent all shareholders and shall comply with what realize interest of the company in general and not what realize interests of the group which he/ she represents or which voted to appoint him/ her in the board of directors.
 - 11- The age of the nominated person shall not be less than (25) years.
 - 12- When electing directors of the board, the general assembly shall consider recommendations issued by the rewards and nominations committee and availability of the professional and personal basic factors for performing their tasks efficiently.

Fourth: procedures of electing the directors of the board

- 1- Within an enough period from the date of ending the current cycle of the board of directors, the Company shall announce opening the door of election for membership of the board of directors based on a recommendation issued by the rewards and nominations committee and approval of the board on the recommendation.
- 2- Opening the nomination door shall be announced in accordance with the requirements of the Companies Law and the instructions of announcements of companies issued by the Capital Market Authority and any amendments subsequent to them. The door of nomination shall still be opened for one month at least from the date of announcement.
- 3- The nomination request attached to all required documents shall be submitted to the main headquarters of the company in Buraydah City to attention of the rewards and nominations committee, provided that the

request shall be submitted in accordance with the conditions and controls issued by the regulating authorities.

- 4- The door of nomination for membership of the board of directors shall be closed based on the period determined in announcement of opening the nomination door.
- 5- The rewards and nominations committee shall check the nomination requests and confirm that the documents submitted by the nominated persons for membership of the board are complete, and then the names of the nominated persons qualified for membership of the board of directors shall be submitted to the board of directors for submitting them to the general assembly for choosing among them for membership of the board after getting approval of the concerned authorities to the request of their nomination.
- 6- The director shall be chosen for membership of the board when he/ she is appointed by general assembly based on the votes which he/ she got.
- 7- The company shall announce results of the general assembly for appointing directors to fill position of membership of the board of directors of the company in accordance with number of votes obtained by each nominated person.
- 8- The company shall notify the authority of the names of the directors and capacities of their membership within five working days from the date of beginning of the cycle of the board or from the date of appointing them – whichever earlier and any changes occurring to their membership within five working days from the date of occurrence of the changes.

Fifth: requirements of nomination for membership in the board of directors

- 1- The nominee to the membership of the board of directors shall submit the nomination request signed by him/ her (based on the form submitted by the company) to the attention of the rewards and nominations committee and attached to the curriculum vitae (form no (1) issued by the Capital Market Authority) and form no (3) issued by the Capital Market Authority as well as attaching a clear copy of the identity of the nominee and family register as well as clarifying methods of communication with the nominee.
- 2- The nominee shall provide the company with all his/ her qualifications, experiences and achievements realized by him/ her in membership of the other boards (if any).
- 3- If the nominee has filled in the past the position of director in the board of directors of AL QASSIM INVESTMENT HOLDING COMPANY, he/ she shall attach to the nomination request a statement from the management of the company about the last cycle in which he/ she has

filled the position of the director, and the statement shall include the following details:

- Number of meetings of the board of directors held within each year of the cycle years and number of meetings which the director attended in person and proportion of his/ her attendance to the total meetings.
 - The permanent committees in which the director took part and number of meetings held by each committee within each year of the cycle years and number of meetings in which the director attend in person for each committee and proportion of his/ her attendance to the total meetings.
- 4- Attaching a statement of the companies or establishments which he/ she takes part in its management or ownership and which practice works similar to works of the company.
 - 5- Attaching a statement of number and date of his/ her membership in boards of directors of the stock companies and the committees in which he/ she was or still member as well as a statement issued by the management of the stock companies about number of meetings of the board of directors, the committees and proportion of his/ her attendance in person to the total meetings and summary of achievements and results realized by the company within each year of the board of directors cycle.
 - 6- Attaching all documents and instruments which support what is mentioned in the nomination request (qualifications, experiences and membership of boards of directors of the other stock companies).

Sixth: end of membership in board of directors

- 1- Membership in the board of directors shall end upon the end of its period or upon the end of validity of the director in accordance with any law or instructions applied in the kingdom or issue of a judgment against the director for breaching the honesty and trust. The ordinary general assembly may at any time remove all or some directors of the board without prejudice to the right of the removed director towards the company to claim a compensation if the removal happens for unaccepted reason or at improper time. The director shall be entitled to retire, provided that this shall happen at a proper time, otherwise he/ she shall be responsible towards the company for damages of retirement. Upon end of membership of a director in the board through any method for end of termination, it is a must to notify the market and the Capital Market Authority immediately as well as stating the reasons which led to that.
- 2- If position of a director is vacant, the board shall issue a resolution for appointing a temporal director in the vacant position which the board

considers proper, provided that the temporal director shall have the experience and competence. The Ministry of Commerce and Investment and the Capital Market Authority shall be notified of that within five working days of the date of appointment, and that appointment shall be submitted to the ordinary general assembly in its first meeting for confirming the appointment, and the new director shall complete the period of the previous director.

- 3- If the requirements needed for convening the board of directors are not fulfilled because of decrease of number of its directors to be less than the minimum provided for in the companies law or in the articles of association of the company, the remaining directors shall call to convene the ordinary general assembly within sixty days for electing the necessary number of directors.

Seventh: independence contradictions

- 1- The independent director shall be able to practice his/ her tasks and present his/ her opinions and vote on the resolutions objectively and neutrally in such a way which helps the board of directors to take the sound resolutions which take part in realizing interests of the company.
- 2- The board of directors shall do an annual evaluation for knowing limit of independency of the director and confirming that there are no relations or circumstances which affect or can affect him/ her.
- 3- Independency to be available in the independent director is contradicted with, including but not limited to, the following:
 - If the director owns a proportion of five percent or more from the shares of the company or shares of another company in its group or if the director has a relationship with anyone who have this proportion.
 - If the director represents a legal entity which owns a proportion of five percent or more of the shares of the company or shares of another company in its group.
 - If the director have a relativeness relationship with any director in the company or in another company in its group.
 - If the director has a relativeness relationship with any executive official in the company or in another company in its group.
 - If the director is a director in another company in a group of the company nominated in its board of directors.
 - If the director works or was working as an employee within the last two years in the company or at any party which deal with it or with another company in its group such as auditors and big suppliers and to be owner of controlling interests at any such party within the last two years.

- If the director has a direct or indirect interest in the works and contracts done for the account of the company.
 - If the director takes financial amounts from the company as well as reward for membership of the board or any committee more than (200000) Riyals or more than 50 % from his/ her rewards in the last year which he/ she obtained against membership in the board of directors or any committees, whichever the less.
 - If the director takes part in a work which competes the company, or to trade in a branch of activity done by the company.
 - If the director spent more than consecutive or separated nine years as a director in the company.
- 4- The interest which contradicts with independency of the director for which the director shall have a license from the ordinary general assembly shall not include the works and contracts done with the director for fulfilling the personal needs if these works and contracts are done in accordance with the same conditions and positions applied by the company with all contracting parties and dealers and included in the ordinary activity of the company unless the rewards and nominations committee sees otherwise.

Final provisions

The provisions included in these regulations shall be applied by AL QASSIM INVESTMENT HOLDING COMPANY as of the date of being approved by the General Assembly of Shareholders. The shareholders, public and interested parties shall be enabled to review these regulations. These regulations shall be amended (based on the need) based on a recommendation issued by the board of directors, provided that any suggested amendment shall be presented to the General Assembly of Shareholders in the nearest meeting for approval.

**Committee of collecting and
separating the votes**

Secretary

General Assembly

Name:

Chairman of the general

Name:

assembly

Signature:

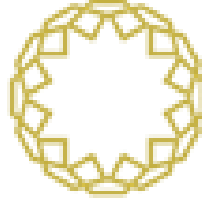
Name:

Signature:

Signature:

Name:

Signature:



شركة القصيم القابضة للاستثمار
ALGASSIM INVESTMENT HOLDING CO.

**AlGassim Investment
Holding Co.**
**Remuneration Policy of the
Board and Committees Members
Emanating from Board and
Executives**

Final Edition on Rajab 1442 AH / March 2021 AD

Date of issue: Rajab 1442 AH / March 2021 AD

**Remuneration Policy of the Board and
Committees members and Executives**

Issue Type: Final Edition



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ALGASSIM INVESTMENT HOLDING CO.

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Introduction

Upon the desire of the **AlGassim Investment Holding Co.** Board in execution of the statutory obligation, the Remuneration Policy of the Board and Committees Members Emanating from Board and Executives of **AlGassim Investment Holding Co.** to comply with the decisions issued in this regard from the rules and regulations of the Capital Market Authority (“Corporate Government Regulations”) as per the Articles: Twenty-Second (22), Fifth Paragraph (5), Sixty-First (61) and sixty-second (62), with the requirements of the Companies Law issued by the Ministry of Commerce and Investment.

Introductory Provisions

1. Definitions

1. The words and expressions contained in this policy shall have the meanings set out in the list of terms used in AOA of the **AlGassim Investment Holding Co.** and contained in the regulations of the Financial Market Authority and the Corporate Regulation issued by the Ministry of Trade and Investment.
2. In order to the execution of this document, The words and expressions shall have the meanings set out for each term hereunder, unless the context suggests a different meaning:

Words and Expressions	Definition
Company:	AlGassim Investment Holding Co.
Policy and Document	Remuneration Policy of the Board and Committees Members Emanating from Board and Executives.
Governance Regulation:	Corporate governance rules and policies in the company that have been approved by the General Shareholders Assembly.
The Authority	The Capital Market Authority in the KSA.
The Ministry:	The Ministry of Trade and Investment in the KSA.
Competent Oversight Authorities:	The Ministry, unless related to the Limited Liability Company listed in the Market, it shall be the Authority.
The General Assembly:	The General Assembly - Extraordinary.
The Board:	Board of the Company.
The Committees:	The permanent or temporary committees emanating from the Board or formed by the Board or by the general assembly.
The Committee:	The Company's Remuneration and Nomination Committee.
Administration:	The Executive Administration shall be represented by the CEO of the company, its deputies and the Finance Director, including those responsible for administrating the day-to-day operations of the company, and proposing and executing strategic decisions.
Chief Executive Officer (CEO):	The chief administrative officer of Board and the delegated from the head of the Company's Executive.
Chief Executive:	Any natural person who administrates the day-to-day operations of the company and shall be responsible for proposing and executing the strategic decisions of the company, including the CEO of the company, its deputies and the finance director.
Remuneration:	amounts, allowances, profits and equivalent, periodic or annual remuneration associated with performance, short or long-term incentive plans and any other in kind benefits, except for reasonable actual fees and expenses incurred by the company for the performance of the work.

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Unless it is otherwise required by the context, the expressions and terms not included in these Regulations shall have the same meanings they bear in the Corporate Governance Regulations issued by CMA or in Glossary of Defined Terms used in the CMA Regulations and Rules.

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B- The Objectives

This policy aims to the following:

1. To develop the overall framework for the policy of compensation and remuneration of Board members, committees and administration and the controls over their disbursement and recovery.
2. To identify specific remuneration policies, link them to performance, and verify their execution.
3. To clarify the mechanism for identifying, approving and amending the remuneration of board members, committee members and chief executives.
4. To attract appropriate talented professionals and competencies required to execute duties and responsibilities of the board, its committees, and executive administration through adapting performance-related motivational plans, which contributes to improve the performance of the company and to achieve the best interests of its shareholders
5. To maintain current competencies through the regulatory framework for the remuneration of chief executives in the company.
6. To achieve the full compliance to the applicable laws and regulations issued by the competent regulatory authorities and ensuring continuity in their execution and compliance therewith.
7. To work on clear basis as per the principle of full transparency and the obligation to disclose remunerations.

C- Amending and updating The Policy

Remunerations and nominations shall periodically review the policy, assess its effectiveness in achieving its objectives and amending them whenever so require, and submitting the amendment to the Governing Board for approval and recommend to the General Assembly for approval.

First: General Policies of Remuneration

The Board and Committee shall consider, in identifying and disbursing the remunerations obtained by Board and Committee members and chief executives, the relevant provisions set out in the companies' system and the financial market system (governance regulation) and their regulations, in addition to the following general policies:

- a) The remunerations shall be clarified on the committee recommendation.
- b) The remunerations shall be appropriate with the company's activity, skills and experience required to be managed.
- c) The remunerations shall be in compliance with the strategy and objectives of the company.
- d) The remunerations shall be submitted in order to motivating members of the board and administrate to succeed and develop the company in the long-term, such as linking the variable part of the remuneration with long-term performance.
- e) The remunerations shall be identified on the level of job, duties and responsibilities of the occupant, academic qualifications, work experience, skills, and level of performance.
- f) The remunerations shall be fair and appropriate to the member's experience, specializations, independence, and the work and responsibilities to be undertaken and incurred by the board members, in addition to the goals set by the board to be achieved during the year.
- g) The remunerations shall be consistent with the size, nature and degree of risks of the company,
- h) taking into account the practices of other companies in determining remunerations, while avoiding the unjustified increase in remunerations and compensation that may result therefrom.
- i) The remunerations shall be reasonably adequate to attract, motivate and retain qualified and appropriate cadres, achieving balance between providing advantages to attract, maintain and motivate professional competencies, and not overestimate them.
- j) The Board's remunerations shall be of varying amount to reflect the extent of the member's experience, terms of reference, functions, independence, number of meetings and other considerations.
- k) As well as, it shall be prepared in coordination with the Committee when new appointments are made.

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- l) Cases of suspension the payment of remunerations or refunding it if it appears that it was decided based on inaccurate information provided by a member of the board or administration, in order to prevent the employment situation being exploited for undue remunerations.
- m) Regulating the granting of shares in the company' members and administration of the Board, whether they are new issues or shares purchased by the company.

Second: The general framework of the remuneration and compensation policy

- a) The company is keen to coordinate the remuneration and compensation paid to the members of the Board, such compensations shall not exceed the identified by the Oversight Authorities.
 - b) In any case; the total amount of compensation and remuneration received by a member of the Board shall not exceed SAR 500,000 per year, in accordance with the regulations established by the competent authority.
 - c) Such remunerations may be a certain amount, attending allowance, in kind benefits or a certain proportion of net profits, and two or more such benefits may be combined, the entitlement of which shall be proportional to the number of meetings attended by the member.
 - d) If the remunerations shall be a certain percentage of the profits of the company, it may not exceed (10%) of the net profits, after deducting the reserves established by the General Assembly in execution of the provisions of the Corporate Regulations and Regulations, and after distribution of the profit to the shareholders at least (5%) of the company's paid capital, the entitlement to which is proportional to the number of meetings attended by the member.
- a) In the absence of an annual profit, the company shall not be entitled to pay the lump sum annual remuneration to the Board members and the Committees, in such time, the benefits and allowances of attendance at meetings of the Board and Committees shall be paid from the attendance, ticket and delegation allowance.
 - b) The remuneration and compensation structure shall be aligned with the Company's objectives
 - c) The remuneration and compensation shall be fair against the effort of such deserve.
 - d) The remuneration and compensation structure shall not cause any conflict of interest that negatively affects the performance of the company.
 - e) A member shall deserve the remuneration as of the date of joining to the Board or committee and according to the term of the membership.

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Third: Remuneration of the Board Members

1-3 Board Meeting Sessions:

Benefits and allowances of attending the Board meetings sessions shall be as the following:

SN.	Remuneration Type	Amount
1	Allowance of attending one session	Five (SAR 5,000) Thousand Saudi Riyals
2	Allowance for First-Class Air Tickets for whom outside the Qassim	One Thousand Five Hundred (SAR 1,500) Saudi Riyals
3	Delegation allowance for whom outside the Qassim	One Thousand (SAR 1,000) Saudi Riyals
4	Allowance of attending one session for Secretary determined by the resolution of the Board.	

2.3 Annual Remuneration

Remuneration of the Board Members consists of the following:

SN.	Remuneration Type	Amount
1	Annual remuneration (an annual lump sum per member) linked to performance and attendance at Board and committee sessions)	One Hundred Thousand (SAR 100,000) Saudi Riyals
2	Annual remuneration linked to the profits for the Board members (A certain percentage of net profits shall be determined on the recommendation of the committee in the event that the company achieves profits after fulfilling the conditions and statutory requirements set out in the companies system issued by the Ministry and the Company's AOS.)	

1.3 Related Policies

- أ. The liquidated remuneration of Board members mentioned above in Paragraph (2.3 Annual Remuneration) No. (1) may be reviewed from time to time in accordance with the committee's recommendation based on performance variables, while obtaining the approval of the General Assembly.
- ب. The attendance, tickets and delegation allowance shall be disbursed on a quarterly basis.
- ج. The liquidated annual remuneration and profit related remuneration shall be disbursed in an annually basis upon the recommendation and approval of the Board and acknowledgment of the General Assembly

Fourth: Remuneration of the Committes Members

1-4 The meeting of the committees emanating from the Board

Benefits and allowances of attending the committees emanating from the Board meetings sessions shall be as the following:

SN.	Remuneration Type	Amount
1	Allowance of attending one session	Five (SAR 5,000) Thousand Saudi Riyals
2	Allowance for First-Class Air Tickets for whom outside the Qassim	One Thousand Five Hundred (SAR 1,500) Saudi Riyals
3	Delegation allowance for whom outside the Qassim	One Thousand (SAR 1,000) Saudi Riyals
4	Allowance of attending one session for Secretary determined by the Committee at the first meeting after its formation.	

2.4 Annual Remuneration

Remuneration of the Committee Members consists of the following:

SN.	Remuneration Type	Amount
1	Annual remuneration (an annual lump sum per member "linked to performance and attendance at Board sessions)	Fifty Thousand (SAR 50,000) Saudi Riyals

3-4 Related Policies

- أ. The attendance, tickets and delegation allowance shall be disbursed on a quarterly basis.
- ب. The liquidated annual remuneration for the member shall be disbursed in an annually basis upon the recommendation and approval of the Board and acknowledgment of the General Assembly

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Fifth: Remuneration for the Executive Administration

1-5 Chief Executive Remuneration

The committee shall propose the salaries, allowances and remuneration of chief executives and to be approved by the board, which consists of the following:

- a) A basic salary to be paid at the end of each calendar month.
- b) Allowances including housing and transportation.
- c) Medical insurance for the person and his family, in which the degree of insurance shall be determined according to the HR policies approved by the company.
- d) Annual leave and annual tickets for economy class (for residents) according to the company's approved HR policies.
- e) Any remunerations and allowances approved by the Board based on the Committee's recommendation.
- f) End of service benefits as per the work system and the approved by HR policies of the company.

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Sixth: Disclosure of Remunerations Policies and Value

- a) The board shall disclose the remuneration policy and how the remuneration of board members and management is determined.
- b) The company shall disclose accurately, transparently and in detail in the board's report on the remuneration disbursed to members of the board, committees and chief executives, directly or indirectly, without concealment or misleading, whether they are sums, benefits or advantages, whatever their nature and name. Such shall also include a statement of the received by the Board members as staff or administrators, or the received in return for technical or administrative work or consultations. The shall also include a statement of the number of Board sessions and the number of sessions attended by a member as of the date of the last meeting of the general assembly.
- c) Clarifying the relationship between the remunerations given and the applicable remuneration policy, and indicate any material deviation from this policy.
- d) A statement of the necessary details regarding the remuneration and compensation paid for each of the following separately:
 - The Board members.
 - The Committee members.
 - Total Chief Executive in details.
- a) The disclosure shall be in accordance with the remuneration schedule form issued by the Authority.
- b) Board members may not vote on the board members remuneration clause at the shareholders' general assembly meeting.

Seventh: The Company's Recovery of Board Members' Remuneration

- a) If the General Assembly decides to terminate the membership of any of the members of the Board, such member shall not entitled to any remuneration for the period following the last meeting attended, and the member shall return all the remuneration disbursed to him for that period, if any.
- b) The company may demand to recover the remuneration paid to any of the board members if it finds that the remuneration paid was disbursed on incorrect or misleading information presented to the general assembly or included in the annual report of the board.

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Eighth: Final Provision

1-8 Accreditation and Approval

- a) Remuneration Policy of the Board and Committees Members Emanating from Board and Executives was approved by was approved by the Board of Directors of AlGassim Investment Holding Co in its meeting No. (-) held on - / - / 14 AH corresponding to (- / - / 20 AD) .
- b) Remuneration Policy of the Board and Committees Members Emanating from Board and Executives was approved by was acknowledged by the General Assembly of AlGassim Investment Holding Co in its meeting No. (-) held on - / - / 14 AH corresponding to (- / - / 20 AD) .

2-8 Publication and Enforcement

- أ. This policy shall be effective as the date of its approval by the General Assembly.

Document	Preparation	Review, Recommendation and Approval	Acknowledgment	Approval Date
Remuneration Policy of the Board and Committees members and Executives	The Remuneration and Nomination Committee	Board of Directors	The General Assembly:	--/--/ 20 AD



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NAMES OF AUDIT COMPANY NOMINATED TO EXAMINE, REVIEW AND AUDIT FINANCIAL STATEMENTS

Here under mentioned, Audit companies recommended by the Board of Directors' to General Assembly Meeting of the shareholders as recommended by Audit Committee, to choose one from them as a legal auditor for the Company's accounts for the second and third quarters and the final accounts for 2021 and the first quarter of 2022, and to determine their fees.

1. First Candidate / Al Bassam & Partners Company PKF

This is for the following reasons:

- The value of the audit fees is (180 thousand riyals) (in addition to transportation and travel expenses), the lowest fees presented;
- Having experience in the field of auditing joint stock companies.
- Registered with the Capital Market Authority;
- Independent auditor;
- Audited the Company's accounts for 2020 and were tasked with reviewing the first quarter of 2021;
- Have an office in the Qassim region.

2. Second Candidate / El Sayed El Ayouty & Co.

This is for the following reasons:

- The value of the audit fees is (240 thousand Riyals) (in addition to transportation and travel expenses), in the second place in terms of the value of the fees;
- Having experience in the field of auditing;
- Registered with the Capital Market Authority;
- Independent auditor;
- Have not a branch in the Qassim region.

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