

Remuneration Policy Amendments

Article	Before Amendments	After Amendments	Justification
<p>Remuneration Policy</p> <p>Part 3: Directors Remuneration</p> <p>Article : 1.4</p>	<p>Part 1: Introductory Provisions</p> <p>1. Introduction and Purpose</p> <p>1.1. The purpose of this Remuneration Policy (this “Policy”) is to regulate the remuneration of:</p> <p style="padding-left: 40px;">(a) the Directors of Rabigh Refining and Petrochemical Company (Petro Rabigh) (the “Company”);</p> <p style="padding-left: 40px;">(b) the members of the Board Committees; and</p> <p style="padding-left: 40px;">(c) the Senior Executives.</p> <p>1.2. This Policy is intended to implement and supplement the relevant provisions of the Bylaws. In case of conflict between this Policy and the Bylaws, the Bylaws shall prevail.</p>	<p>Part 1: Introductory Provisions</p> <p>1. Introduction and Purpose</p> <p>1.1. The purpose of this Remuneration Policy (this “Policy”) is to regulate the remuneration of:</p> <p style="padding-left: 40px;">(a) the Directors of Rabigh Refining and Petrochemical Company (Petro Rabigh) (the “Company”);</p> <p style="padding-left: 40px;">(b) the members of the Board Committees; and</p> <p style="padding-left: 40px;">(c) the Senior Executives.</p> <p>1.2. This Policy is intended to implement and supplement the relevant provisions of the Bylaws. In case of conflict between this Policy and the Bylaws, the Bylaws shall prevail.</p>	<p>In accordance with the amendments to the Companies Law, the restriction on board members’ remuneration, previously capped at SAR 500,000, has been removed.</p>

Remuneration Policy Amendments

	<p>1.3. The provisions of this Policy are mandatory. The Board shall oversee the implementation of the measures required to ensure the Company's compliance with this Policy.</p> <p>2. Definitions and Abbreviations</p> <p>2.1. The terms and expressions used in this Policy shall have the meanings assigned to them in the Company's Corporate Governance Manual, unless otherwise required by the context.</p> <p>Part 2: Policy Objectives and Principles</p> <p>1. Policy Objectives and Principles</p> <p>1.1. The remuneration of Directors, Board Committee Members, and Company's Senior Executives shall be determined with the view of achieving the following objectives:</p> <ul style="list-style-type: none">(a) enabling the Company to maintain Directors, Committee Members, and Senior Executives with the appropriate level of experience and qualification;(b) achieving the long-term success and development of the Company to meet the interests of its shareholders, while attracting, retaining, and motivating the	<p>1.3. The provisions of this Policy are mandatory. The Board shall oversee the implementation of the measures required to ensure the Company's compliance with this Policy.</p> <p>2. Definitions and Abbreviations</p> <p>2.1. The terms and expressions used in this Policy shall have the meanings assigned to them in the Company's Corporate Governance Manual, unless otherwise required by the context.</p> <p>Part 2: Policy Objectives and Principles</p> <p>1. Policy Objectives and Principles</p> <p>1.1. The remuneration of Directors, Board Committee Members, and Company's Senior Executives shall be determined with the view of achieving the following objectives:</p> <ul style="list-style-type: none">(a) enabling the Company to maintain Directors, Committee Members, and Senior Executives with the appropriate level of experience and qualification;(b) achieving the long-term success and development of the Company to meet the interests of its shareholders, while attracting, retaining, and motivating the	
--	--	--	--

Remuneration Policy Amendments

	<p>talent the Company needs to achieve its business goals; and</p> <p>(c) supporting the Company in adapting to the competitive pressures of the sectors in which it operates.</p> <p>1.2. The remuneration of Directors, Committee Members, and Senior Executives shall be determined based on the following principles:</p> <p>(a) the remuneration shall be consistent with the Company’s objectives and strategy;</p> <p>(b) the position, duties, responsibilities, educational qualifications, experience, skills, efforts, scope of work, and performance shall be taken into consideration when determining the remuneration of Directors, Committee Members, and Senior Executives;</p> <p>(c) the sectors in which the Company operates, the size of the Company, the Company’s risk profile, and (to the extent appropriate) the remuneration practices of other comparable companies shall be taken into consideration when determining the remuneration of Directors, Committee Members, and Senior Executives; and</p>	<p>talent the Company needs to achieve its business goals; and</p> <p>(c) supporting the Company in adapting to the competitive pressures of the sectors in which it operates.</p> <p>1.2. The remuneration of Directors, Committee Members, and Senior Executives shall be determined based on the following principles:</p> <p>(a) the remuneration shall be consistent with the Company’s objectives and strategy;</p> <p>(b) the position, duties, responsibilities, educational qualifications, experience, skills, efforts, scope of work, and performance shall be taken into consideration when determining the remuneration of Directors, Committee Members, and Senior Executives;</p> <p>(c) the sectors in which the Company operates, the size of the Company, the Company’s risk profile, and (to the extent appropriate) the remuneration practices of other comparable companies shall be taken into consideration when determining the remuneration of Directors, Committee Members, and Senior Executives; and</p>	
--	--	--	--

Remuneration Policy Amendments

(d) the remuneration shall be fair, proportionate, and reasonably sufficient to attract, retain and motivate Directors, Committee Members, and Senior Executives with the appropriate level of experience and qualification.

Part 3: Directors Remuneration

1. Rules of Remuneration Determination

1.1. The remuneration of all Directors shall be recommended by the Board to the General Assembly for approval on an annual basis. The recommendation of the Board to the General Assembly shall be based on the recommendation of the Nomination and Remuneration Committee. The recommendations of the Nomination and Remuneration Committee and the Board shall be in compliance with applicable laws, regulations, and policies (including this Policy).

1.2. The remuneration of Directors could be in the form of specific cash payments, in kind benefits, attendance allowances, a percentage of the Company's annual net profits, or a combination of any of the foregoing.

(d) the remuneration shall be fair, proportionate, and reasonably sufficient to attract, retain and motivate Directors, Committee Members, and Senior Executives with the appropriate level of experience and qualification.

Part 3: Directors Remuneration

1. Rules of Remuneration Determination

1.1. The remuneration of all Directors shall be recommended by the Board to the General Assembly for approval on an annual basis. The recommendation of the Board to the General Assembly shall be based on the recommendation of the Nomination and Remuneration Committee. The recommendations of the Nomination and Remuneration Committee and the Board shall be in compliance with applicable laws, regulations, and policies (including this Policy).

1.2. The remuneration of Directors could be in the form of specific cash payments, in kind benefits, attendance allowances, a percentage of the Company's annual net profits, or a combination of any of the foregoing.

Remuneration Policy Amendments

	<p>1.3. Where the remuneration of Directors is distributed as a percentage of the Company's net profits, the maximum total annual remuneration may not exceed 10% of the Company's net profits after deducting the relevant reserves and after distributing profits to the Company's shareholders at a minimum rate of 5% of the Company's paid-up capital.</p> <p>1.4. In all cases, the total annual remuneration and benefits for each Director, in cash or in kind, must not exceed SAR 500,000.</p> <p>1.5. Notwithstanding Paragraph 1.2 above, the remuneration of independent Directors shall not be in the form of a percentage of the Company's net profits and shall not be, directly or indirectly, based on the profitability of the Company.</p> <p>1.6. The remuneration of Directors may vary based on the experience, expertise, duties, independence, and attendance record of each Director as well as other relevant considerations.</p> <p>2. Additional Remuneration</p>	<p>1.3. Where the remuneration of Directors is distributed as a percentage of the Company's net profits, the maximum total annual remuneration may not exceed 10% of the Company's net profits after deducting the relevant reserves and after distributing profits to the Company's shareholders at a minimum rate of 5% of the Company's paid-up capital.</p> <p>1.4. In all cases, the total annual remuneration and benefits for each Director, in cash or in kind, must not exceed SAR 500,000.</p> <p>1.5. Notwithstanding Paragraph 1.2 above, the remuneration of independent Directors shall not be in the form of a percentage of the Company's net profits and shall not be, directly or indirectly, based on the profitability of the Company.</p> <p>1.6. The remuneration of Directors may vary based on the experience, expertise, duties, independence, and attendance record of each Director as well as other relevant considerations.</p> <p>2. Additional Remuneration</p>	
--	--	--	--

Remuneration Policy Amendments

	<p>2.1. The Chairman of the Board may receive remuneration in addition to his remuneration as a Director. Such additional remuneration (if any) shall be recommended by the Nomination and Remuneration Committee and approved by the Board on an annual basis.</p> <p>2.2. Directors serving in any of the Committees may receive remuneration in addition to their remuneration as Directors. Such additional remuneration (if any) shall be determined in accordance with Part 4 of this Policy.</p> <p>2.3. Directors serving as Senior Executives may receive remuneration in addition to their remuneration as Directors. Such additional remuneration (if any) shall be determined in accordance with Part 5 of this Policy.</p> <p>2.4. If the Secretary of the Board is also a Director, then he may receive remuneration in addition to his remuneration as a Director. Such additional remuneration (if any) shall be determined by the Board of Directors (based on the recommendation of the Nomination and Remuneration Committee) on an annual basis.</p>	<p>2.1. The Chairman of the Board may receive remuneration in addition to his remuneration as a Director. Such additional remuneration (if any) shall be recommended by the Nomination and Remuneration Committee and approved by the Board on an annual basis.</p> <p>2.2. Directors serving in any of the Committees may receive remuneration in addition to their remuneration as Directors. Such additional remuneration (if any) shall be determined in accordance with Part 4 of this Policy.</p> <p>2.3. Directors serving as Senior Executives may receive remuneration in addition to their remuneration as Directors. Such additional remuneration (if any) shall be determined in accordance with Part 5 of this Policy.</p> <p>2.4. If the Secretary of the Board is also a Director, then he may receive remuneration in addition to his remuneration as a Director. Such additional remuneration (if any) shall be determined by the Board of Directors (based on the recommendation of the Nomination and Remuneration Committee) on an annual basis.</p>	
--	--	--	--

Remuneration Policy Amendments

3. Restricted Benefits

3.1. The Company may not grant loans of any kind to a Director, or guarantee any loan contracted by a Director with a third party. This restriction does not apply to loans and guarantees granted by the Company pursuant to an employee incentive program approved in compliance with the Bylaws or by a resolution of the ordinary General Assembly.

4. Remuneration upon Termination

4.1. In the event that the membership of any Director in the Board is terminated due to gross misconduct, material breach of the terms of appointment, act of fraud or dishonesty, or willful neglect of duties, the Director shall receive no payment in respect of the period between the beginning of the fiscal year in which the termination took place and the termination date.

3. Restricted Benefits

3.1. The Company may not grant loans of any kind to a Director, or guarantee any loan contracted by a Director with a third party. This restriction does not apply to loans and guarantees granted by the Company pursuant to an employee incentive program approved in compliance with the Bylaws or by a resolution of the ordinary General Assembly.

4. Remuneration upon Termination

4.1. In the event that the membership of any Director in the Board is terminated due to gross misconduct, material breach of the terms of appointment, act of fraud or dishonesty, or willful neglect of duties, the Director shall receive no payment in respect of the period between the beginning of the fiscal year in which the termination took place and the termination date.

Remuneration Policy Amendments

4.2. Without prejudice to Paragraph 4.1 above, in the event that the membership of any Director in the Board is terminated for his failure to attend three consecutive meetings of the Board without a legitimate excuse, the Director shall receive no payment in respect of the period between the last meeting he attended and the termination date.

4.3. In the event that the membership of any Director in the Board is terminated for any other reason, the Director shall be paid a pro-rated amount in respect of the period between the beginning of the fiscal year in which the termination took place and the termination date.

Part 4: Committee Members Remuneration

1. Rules of Remuneration Determination

1.1. The members of the Committees shall be remunerated in accordance with the charter of the relevant Committee.

1.2. Notwithstanding Paragraph 1.1 above, the Nomination and Remuneration Committee shall review and recommend to the Board the remuneration of the members of the Committees.

4.2. Without prejudice to Paragraph 4.1 above, in the event that the membership of any Director in the Board is terminated for his failure to attend three consecutive meetings of the Board without a legitimate excuse, the Director shall receive no payment in respect of the period between the last meeting he attended and the termination date.

4.3. In the event that the membership of any Director in the Board is terminated for any other reason, the Director shall be paid a pro-rated amount in respect of the period between the beginning of the fiscal year in which the termination took place and the termination date.

Part 4: Committee Members Remuneration

1. Rules of Remuneration Determination

1.1. The members of the Committees shall be remunerated in accordance with the charter of the relevant Committee.

1.2. Notwithstanding Paragraph 1.1 above, the Nomination and Remuneration Committee shall review and recommend to the Board the remuneration of the members of the Committees.

Remuneration Policy Amendments

Part 5: Senior Executives Remuneration

1. Rules of Remuneration Determination

- 1.1. The remuneration of all Senior Executives shall be recommended by the Nomination and Remuneration Committee and approved by the Board in accordance with the relevant employment contracts and internal policies and compensation plans.¹
- 1.2. The Nomination and Remuneration Committee shall review and approve the employment contracts with Senior Executives, including contracts with new appointments. It shall also review and approve any contract with an employee with compensation equivalent to Senior Executives.

Part 5: Senior Executives Remuneration

1. Rules of Remuneration Determination

- 1.1. The remuneration of all Senior Executives shall be recommended by the Nomination and Remuneration Committee and approved by the Board in accordance with the relevant employment contracts and internal policies and compensation plans.²
- 1.2. The Nomination and Remuneration Committee shall review and approve the employment contracts with Senior Executives, including contracts with new appointments. It shall also review and approve any contract with an employee with compensation equivalent to Senior Executives.

Remuneration Policy Amendments

	<p>2. Benefits and Incentive Plans</p> <p>1.3. Senior Executives shall be entitled to certain benefits provided by the Company. Besides pension, benefits are primarily in the areas of medical services, access to the Company’s recreational facilities, housing-related allowances (or equivalent), and transportation-related allowances (or equivalent). The nature and levels of benefits for Senior Executives shall be periodically reviewed by the Nomination and Remuneration Committee and approved by the Board.</p> <p>1.4. The Company may offer Senior Executives variable compensation that is market-informed and subject to the fulfillment of pre-defined performance goals, whether short-term or long-term. Such variable compensation plans shall be subject to the recommendation of the Nomination and Remuneration Committee and the approval of the Board.</p>	<p>2. Benefits and Incentive Plans</p> <p>1.3. Senior Executives shall be entitled to certain benefits provided by the Company. Besides pension, benefits are primarily in the areas of medical services, access to the Company’s recreational facilities, housing-related allowances (or equivalent), and transportation-related allowances (or equivalent). The nature and levels of benefits for Senior Executives shall be periodically reviewed by the Nomination and Remuneration Committee and approved by the Board.</p> <p>1.4. The Company may offer Senior Executives variable compensation that is market-informed and subject to the fulfillment of pre-defined performance goals, whether short-term or long-term. Such variable compensation plans shall be subject to the recommendation of the Nomination and Remuneration Committee and the approval of the Board.</p>	
--	---	---	--

Remuneration Policy Amendments

1.5. The Company may offer Senior Executives and other employees opportunities for share ownership through an employee share plan or similar programs. Such plans and programs shall be subject to the recommendation of the Nomination and Remuneration Committee and the approval of the Board and shall be in accordance with applicable laws, regulations, and instructions.

Part 6: Closing Provisions

1. Entry into Effect and Review

1.1. This Policy shall be adopted by a resolution of the General Assembly, following a recommendation by the Board (which recommendation shall be based on the recommendation of the Nomination and Remuneration Committee), and shall enter into effect from the date on which it is approved by the General Assembly.

1.2. The Nomination and Remuneration Committee shall oversee the implementation of this Policy and shall periodically review its provisions and recommend any amendments thereto to the Board.

1.3. Any amendments to this Policy shall be adopted in the same manner in which this Policy was adopted.

1.5. The Company may offer Senior Executives and other employees opportunities for share ownership through an employee share plan or similar programs. Such plans and programs shall be subject to the recommendation of the Nomination and Remuneration Committee and the approval of the Board and shall be in accordance with applicable laws, regulations, and instructions.

Part 6: Closing Provisions

1. Entry into Effect and Review

1.1. This Policy shall be adopted by a resolution of the General Assembly, following a recommendation by the Board (which recommendation shall be based on the recommendation of the Nomination and Remuneration Committee), and shall enter into effect from the date on which it is approved by the General Assembly.

1.2. The Nomination and Remuneration Committee shall oversee the implementation of this Policy and shall periodically review its provisions and recommend any amendments thereto to the Board.

1.3. Any amendments to this Policy shall be adopted in the same manner in which this Policy was adopted.

Remuneration Policy Amendments

	<p>2. Disclosure</p> <p>2.1. The Board shall comply with the relevant disclosure obligations and requirements under the Disclosure Policy and the applicable laws and regulations in respect of this Policy.</p>	<p>2. Disclosure</p> <p>2.1. The Board shall comply with the relevant disclosure obligations and requirements under the Disclosure Policy and the applicable laws and regulations in respect of this Policy.</p>	
--	---	---	--