

NOMINATION AND REMUNERATION COMMITTEE CHARTER

BinDawood Holding Company

2023

V.02

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1. Functions and Responsibilities of the Nomination and Remuneration Committee

The main function of the Nomination and Remuneration Committee is to identify qualified candidates for membership on the Board of Directors, who meet the conditions set for membership, as well as to assist the Board in establishing a proper governance system and build the necessary policies and procedures. The scope of the Committee's work includes all actions that enable it to fulfil its functions, including:

1. Identify qualified candidates and nominate them to the Board of Directors.
2. Conduct an annual review of Board membership requirements, which shall include the candidates' capabilities, experience and availability to fulfill their Board responsibilities.
3. Review the structure of the Board and propose required changes thereto beneficial to the Company's interests.
4. Determine the strengths and weaknesses of the Board and propose required changes thereto beneficial to the Company's interests.
5. Nominate candidates for the positions of CEO and Managing Director, as well as nominate Committee members for approval by the Board of Directors or the General Assembly.
6. Review the nomination policies and procedures for Board membership prior to their approval by the General Assembly.
7. Monitor the independence of independent Board members and monitor any conflicts of interest on an annual basis.
8. Review the preparatory materials and training courses destined to new Board members.
9. Establish clear policies regarding the remuneration of managers and Senior Executives.
10. Review and propose plans for the assumption of key executive functions.
11. Review and approve the Company's overall structure of rewards and privileges, which includes employment grades, structure of wages and privileges, as well as rewards and incentives associated with performance.
12. Approve changes to the remuneration of the CEO and recommend changes to the remuneration of the Managing Director, members of the Board of Directors and members of the various Board committees.
13. Approve extraordinary remuneration (signing or performance bonuses) for the CEO and Senior Executives.

2. Formation of the Nomination and Remuneration Committee and the Requirements for Membership Therein

The Nomination and Remuneration Committee shall be formed by the Board of Directors and consist of at least (3) members, pursuant to the following:

- a. All Committee members shall be Non-executive Members, and at least one of them shall be an Independent Member.
- b. The Chairman of the Nomination and Remuneration Committee shall be an independent member.
- c. The Chairman of the Board of Directors shall not occupy the position of the Chairman of the Nomination and Remuneration Committee.
- d. Committee members shall have proper scientific qualifications and training, as well as familiarity with the administrative aspects and nature of the Company's activity.

The Nomination and Remuneration Committee shall be formed by a decision of the Company's Board of Directors. Based on a Board proposal, the Company's General Assembly shall issue the Nomination and Remuneration Committee Charter, which shall include the Committee's work rules and procedures, its functions, membership requirements, term and remuneration.

3. Appointing or Removing Members of the Nomination and Remuneration Committee and the Membership Term Thereof

- a. Subject to the qualification requirements for membership in the Nomination and Remuneration Committee, the Nomination and Remuneration Committee shall be formed by a decision of the Company's Board of Directors. Based on a proposal from the Board of Directors, the Company's General Assembly shall issue the Nomination and Remuneration Committee's Charter, which shall include the rules and procedures governing the Committee's work, its functions, member selection rules, manner employed for their nomination, term of membership and respective remuneration. The Board shall appoint Committee members for the same period of the Board of Directors term and take the necessary measures to enable the Committee to carry out its functions, including providing the Committee, in an unrestricted fashion, with all data, information, reports, records, correspondences or other matters which the Committee deems necessary.
- b. Committee members may be reappointed for an additional term.
- c. Committee members may be dismissed pursuant to a Board resolution in the following cases:
 - The member requested being relieved from membership duties.
 - The member's abuse of his Committee position or misconduct occurs which the Board deems detrimental to the objectives and reputation of the Company in general and the Committee in particular.
 - The member fails to attend three consecutive meetings without providing a valid excuse acceptable to the Board of Directors.
- d. Upon expiry of a membership during the Committee's term, due to death, resignation, disability or termination, then the Board shall appoint another member to fill the vacancy, taking into account the relevant Committee's

membership requirements. The combined terms of the member whose seat was vacated and the new replacement member, shall be deemed to represent one full term.

4. Nomination and Remuneration Committee's Powers and Work Methodology

- a. Based on a proposal from the Board of Directors, the Company's General Assembly shall issue the Nomination and Remuneration Committee charter, which shall include the rules and procedures governing the Committee's work, its functions, member selection rules, manner employed for their nomination, term of membership and respective remuneration.
- b. The Committee shall draft an annual action plan, including a description of the work to be carried out during the coming year, in the form of work programs, in which the estimated cost and duration for the completion of each program shall be considered and submitted to the Board for approval.
- c. The Committee shall submit periodic reports to the Board containing its completed work and results, including disclosing any significant deviations, errors or weaknesses identified in the composition of the Board of Directors or its subcommittees. The report shall include the Committee's recommendations to address deficiencies in order to better develop the structure of the Board and its committees as well as develop their work.
- d. The Committee shall meet at the request of at least two of its members. It shall meet periodically at least two times a year and whenever necessary.
- e. Meetings shall be deemed quorate when attended by the majority of members.
- f. Each member shall have one vote when voting on Committee resolutions, which shall be adopted by a majority vote.
- g. At its discretion, the Nomination and Remuneration Committee shall have the right to seek the opinion of experts, consultants, opinion polls, and others.

5. Competencies of the Committee's Chairman, Vice-Chairman and Secretary

- a. Committee members shall choose from among their ranks a Chairman for the duration of the Committee's term, who shall supervise the completion of the Committee's tasks and shall, in particular:
 - Call the Committee to meet and determine the time, date, place and agenda of each meeting in coordination with Committee members.
 - Chair Committee meetings.
 - Submit the results of the Committee's work and recommendations to the Board of Directors.

- In coordination with the Committee Secretary, draft the Commission's budget, action plan and projects both on the short and long term and submit them to the Committee for approval prior to referring them to the Board of Directors.
 - In coordination with the Committee Secretary, draft periodic reports on the activities of the Committee and submit them to the Committee for approval prior to referring them to the Board of Directors.
 - Represent the Committee before the Board and any other body that so requires.
- b. Committee members shall choose from among their ranks a Vice-Chairman for the duration of the Committee's term, who shall assist the Chairman in the performance of his functions and replace him in his absence.
- c. The Committee shall appoint a Secretary and determine the remuneration thereof. Said Secretary shall attend meetings but shall not be entitled to vote thereat. He shall prepare the meeting minutes and inform members of meeting dates and agendas, as well as carry out all of the Committee's administrative tasks. When selecting the Secretary care must be given that he possesses the scientific qualifications and practical experience enabling him to carry out the tasks entrusted to him. The Secretary shall undertake to safeguard Company secrets and refrain from any conducting activities that may fall contrary to Company interests.

6. Determining the Remuneration of the Nomination and Remuneration Committee

- a. Committee members shall be entitled to an attendance allowance for each meeting attended, as determined and approved by the Board of Directors and the Shareholders' Assembly.
- b. The Board of Directors' annual report to the General Assembly shall disclose the attendance allowances paid to members of the Committee during the year.

7. Effective Date

This Charter shall be effective from the date of the General Assembly approval, and it will replace the Nomination and Remuneration Committee charter mentioned in the company Governance Manual and Policy approved by the Extraordinary General Assembly during its meeting held on 18/04/1441H corresponding to 15/12/2019G.