

Amendments on Governance Regulations of Almarai Company

Almarai Board Membership Policies, Standards and Procedures			
Item Subject	Text Before Amendment	Item Subject after Amendment	Text After Amendment
Introduction	<p>Introduction</p> <p>The policies, standards and procedures for membership on the Board of Directors of Almarai Company (the “Company”) have been prepared in accordance with the provisions of Article 22 (3) of the Corporate Governance Regulations issued by the Capital Market Authority Board pursuant to Decision No. 8-6-2017 dated 16/5/1438H, corresponding to 13/2/2017G (“Corporate Governance Regulations”); which state that it is within the responsibilities and duties of the Board of Directors to “set forth specific and explicit policies, standards and procedures for membership on the Board, without prejudice to the mandatory provisions of these Regulations, and implementing them following approval by the General Assembly.”</p> <p>These policies, standards and procedures for membership on the Company’s Board of Directors are</p>	Introduction	<p>Introduction</p> <p>The policies, standards and procedures for membership on the Board of Directors of Almarai Company (the “Company”) have been prepared in accordance with the provisions of Article 21 (3) of the Corporate Governance Regulations issued by the Capital Market Authority Board pursuant to Decision No. 8-6-2017 dated 16/5/1438H, corresponding to 13/2/2017G as amended by Capital Market Authority Board Resolution No. 8-5-2023 Dated 25/6/1444H (corresponding to 18/1/2023G.) (“Corporate Governance Regulations”); which state that it is within the responsibilities and duties of the Board of Directors to “set forth specific and explicit policies, standards and procedures</p>

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	<p>based on the provisions of the Companies Law, Corporate Governance Regulations, and the Company's Bylaws.</p>		<p>for membership on the Board, without prejudice to the mandatory provisions of these Regulations, and implementing them following approval by the General Assembly.”</p> <p>These policies, standards and procedures for membership on the Company's Board of Directors are based on the provisions of the Companies Law and its implementing regulations, the Corporate Governance Regulations, and the Company's Bylaws.</p> <p>Unless defined herein, or the context requires otherwise, defined terms used in this Appendix shall have the meanings given to them in the Corporate Governance Regulations.</p>
<p>First, Policies and Standards for Membership on the Company's Board of Directors,</p>	<p>3. Candidates shall not be government employees</p>	<p>First, Policies and Standards for Membership on the Company's Board of Directors,</p>	

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<p>First, Policies and Standards for Membership on the Company's Board of Directors,</p>	<p>13. Independent members shall enjoy complete independence in their positions and decisions, they shall satisfy none of the infringements independence set out in Article 20 of the Corporate Governance Regulations.</p>	<p>First, Policies and Standards for Membership on the Company's Board of Directors,</p>	<p>14. Independent member shall be a non-executive member who shall enjoy complete independence in their positions and decisions, and none of the independence affecting issues stipulated in in Article 19 of the Corporate Governance Regulations apply to him/her.</p>
<p>Second, Procedures for Membership on the Company's Board of Directors</p>	<p>2. Each shareholder shall have the right to nominate himself or one or more persons for membership on the Board of Directors proportionally with his/her percentage ownership in the Company's capital.</p>	<p>Second, Procedures for Membership on the Company's Board of Directors</p>	<p>2. Each shareholder shall have the right to nominate himself or one or more persons for membership on the Board of Directors in accordance with the provisions of the</p>

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			Companies Law and its implementing regulations..
	<p>4. Any person wishing to be nominated for Board membership shall disclose to the Board or the General Assembly any conflicts of interest, including,</p> <p>a. The existence of any direct or indirect interest in business and contracts that are executed for the account of the Company to whose Board he/she is nominated.</p>		<p>4. Any person wishing to be nominated for Board membership shall disclose to the Board or the General Assembly any conflicts of interest, including,</p> <p>a. The existence of any direct or indirect interest in business and contracts that are executed for the account of the Company.</p>
Second, Procedures for Membership on the Company's Board of Directors	<p>8. Clarify the membership type i.e. whether the member is nominated in his/her personal capacity or as a representative of a legal person.</p>	Second, Procedures for Membership on the Company's Board of Directors	
Remuneration Policy for the Members of Board of Directors, Members of Committees & Executive Management			

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<p>1. Policy Purpose and Description</p>	<p>This policy has been formulated according to the provisions of the Companies Law and the Capital Market Law and their implementing regulations in order to remunerate the members of Board of Directors, members of committees (except Audit Committee) and Executive Management in a fair and equitable manner, and to harmonize the aspirations of human resources with the goals of the Company.</p>	<p>1. Policy Purpose and Description</p>	<p>This policy has been formulated according to the provisions of the Companies Law and the Capital Market Law and their implementing regulations in order to remunerate the members of Board of Directors, members of committees and Executive Management in a fair and equitable manner, and to harmonize the aspirations of human resources with the goals of the Company.</p> <p>Unless defined herein, or the context requires otherwise, defined terms used in this Appendix shall have the meanings given to them in the Corporate Governance Regulations.</p>
<p>2.5 Board Members</p>	<p>As per Article 20 of Almarai's Bylaws, the remuneration of the members of the Board of Directors may be a fixed cash amount, attendance allowance, in kind benefits or specified percentage</p>	<p>2.5 Board Members</p>	<p>As per Almarai's Bylaw, the remuneration of the members of the Board of Directors may be a fixed cash amount, attendance allowance, in kind benefits or specified</p>

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	<p>of the Company's net profits. The remuneration may be combination of two or more of these benefits, within the limits of the provisions of the Companies Law, Corporate Governance Regulations and regulatory rules issued by the Capital Market Authority in this respect. The annual report submitted by the Board of Directors to the Ordinary General Assembly shall contain a detailed statement of the remuneration policies and mechanisms for determining such remuneration, including all payments made to the members of the Board during the fiscal year in cash or in kind, remuneration, allowances, expenses and other benefits. It shall as well contain a statement of payments made in consideration for executive, technical, administrative or consultancy assignments carried out by the Board's members, which assignments have been approved by the Company's General Assembly.</p>		<p>percentage of the Company's net profits. The remuneration may be combination of two or more of these benefits, within the limits of the provisions of the Companies Law, Corporate Governance Regulations and regulatory rules issued by the Capital Market Authority in this respect. The annual report submitted by the Board of Directors to the Ordinary General Assembly shall contain a detailed statement of the remuneration policies and mechanisms for determining such remuneration, including all payments made to the members of the Board during the fiscal year in cash or in kind, remuneration, allowances, expenses and other benefits. It shall as well contain a statement of payments made in consideration for executive, technical, administrative or consultancy assignments carried out by the Board's</p>
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			members, which assignments have been approved by the Company's General Assembly.
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