



REMUNERATION POLICY

RIYADH CABLES GROUP

APPROVED BY THE GENERAL ASSEMBLY ON 01/11/1443 H CORRESPONDING TO 31/05/2022 G

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Introduction:

The "Remuneration Policy of the Board of Directors, its committees and the executive management of Riyadh Cable Group Company or the "Company" has been prepared in order to comply with the article of the tasks and responsibilities of the Nomination and Remuneration Committee in the Company's Governance Regulations in accordance with the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-16-2017) dated 16/5/1438 H corresponding to 13/02/2017 G, and amended by the CMA Board Resolution No. 1-7-2021 dated 01/06/1442 H corresponding to 14/01/2021 G, which stipulated that the Remuneration and Nomination Committee shall "prepare a clear policy for the remuneration of the members of the Board of the Management and Committees emanating from the Board and the Executive management, and submitting them to the Board of Directors for consideration in preparation for approval by the General Assembly....

First: Definitions

The words and expressions mentioned in these Regulations shall have the meanings assigned to them in the Corporate Governance Regulations of Riyadh Cable Group Company and the Corporate Governance Regulations issued by the Board of Directors of the Capital Market Authority.

Second: Objective:

This policy aims to define clear criteria for the remuneration of the members of the Board of Directors, its committees and senior executives in light of the requirements of the Companies Law and the laws and regulations of the Capital Market Authority, and the policy also aims to attract individuals with a degree of competence, ability and talent to work in the Board of Directors, committees and executive management by adopting plans and programs that stimulate remuneration and are related to performance, which contributes to improving the company's performance and achieving the interests of its shareholders.

Third: General Standards of Remuneration

The Remuneration and Nomination Committee is responsible for recommending to the Board the remuneration of Board members, committee members and senior executives of the company, in accordance with the approved criteria, as follows:

1. The rewards should be commensurate with the company's activity and the skills needed to manage it.
2. Consider linking the variable portion of rewards to long-term performance.
3. The company takes into account the compatibility of rewards with the company's strategy and objectives and with the size, nature and degree of risks it has.
4. The company takes into account the practices of other companies and what is prevalent in the labor market in determining rewards, while avoiding what may result from unjustified increase in rewards and compensation.
5. Prepared in coordination with the Remuneration and Nomination Committee regarding new appointments.
6. Rewards are determined based on the job level, tasks and responsibilities assigned to the incumbent, educational qualifications, practical experience, skills, and level of performance.
7. That the remuneration be fair and commensurate with the member's competencies, works and responsibilities carried out and borne by the members of the Board of

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- Directors or the committees, in addition to the goals set by the Board of Directors to be achieved during the fiscal year.
8. Taking into account the sector in which the company operates, its size and the experience of the Board members.
 9. The remuneration should be reasonably sufficient to attract, motivate and retain board members with appropriate competence and experience. The remunerations shall be reasonably adequate to attract, motivate and retain qualified and appropriate cadres,
 10. The remuneration of the members of the Board of Directors may vary in amount to reflect the member's experience, competencies, tasks entrusted to him, his independence, the number of sessions he attends and other considerations.
 11. The remuneration shall be stopped or refunded if it is found that it was decided on the basis of inaccurate information provided by a member of the Board of Directors or the Executive Management; This is to prevent career mode from being exploited for undeserved rewards.
 12. In the event of developing a program to grant shares in the company to the members of the Board of Directors, the executive management and its employees, whether it is a new issue or shares purchased by the company, this will be done under the supervision of the Remuneration and Nominations Committee and in accordance with the company's articles of association and the relevant rules and regulations of the Capital Market Authority.

Fourth: Board Members Remuneration:

1. The remuneration of the members of the board of directors in the company consists of a certain amount, an allowance for attendance at the sessions, an allowance for expenses, in-kind benefits, or a percentage of the profits. It is permissible to combine two or more of these benefits, provided that it does not exceed what is stipulated in the Companies Law, its bylaws, and any amendments to this system.
2. This remuneration may be of varying amount and in the light of a policy issued by the Remuneration and Nominations Committee and approved by the Assembly. The annual report of the Board of Directors to the General Assembly of Shareholders must include a comprehensive statement of all that the members of the Board of Directors received during the fiscal year in terms of remunerations, expenses allowances and other benefits. It shall also include a statement of what the members of the Council have received in their capacity as workers or administrators or for technical, administrative or consulting work (if any). It shall also include a statement of the number of the Council's sessions and the number of sessions attended by each member since the date of the last meeting of the General Assembly.
3. In the event that the remuneration of the members of the Board of Directors is a percentage of the profits, the provisions of Paragraph (2) of Article (76) of the Companies Law and Article (21) of the Company's Articles of Association must be observed.

Fifth: Remuneration of the Committees Members

1. The Board of Directors determines and approves membership remuneration for its committees - with the exception of the Audit Committee - attendance allowances and other entitlements based on the recommendation of the Remuneration and Nomination Committee.
2. Remuneration for membership of committees emanating from the Board of Directors consists of an annual bonus (lump sum), allowances for attending meetings and other entitlements as described in this policy according to the schedule included therein.

3. As for the audit committee membership remuneration, it is approved by the general assembly of shareholders based on the recommendation of the Board of Directors, according to the system.
4. When forming the membership of committees emanating from the Board of Directors, the number of committees that a member of the Board can occupy is taken into consideration, so that the total remunerations that a member receives for his membership in the Board and committees does not exceed the upper limit stipulated in the Companies Law.

Sixth: Remuneration for the Executive Administration

The Remuneration and Nominations Committee reviews the salary scale specified for all employees and senior executives and the incentive program and plans on an ongoing basis and approves them, based on a recommendation from the executive management. The remuneration of the executive management includes the following:

- Basic salary (to be paid at the end of each Gregorian month on a monthly basis).
- Allowances that include, but are not limited to, housing allowance, transportation allowance, education allowance for children, and telephone allowance.
- Medical insurance benefits for him and his family.
- An annual bonus linked to performance indicators in accordance with the annual evaluation conducted in this regard.
- Short-term incentive plans associated with exceptional performance, and long-term incentive plans such as stock option programs (where applicable).
- Other benefits include, but are not limited to, annual leave, annual airfare, and executive airport services. And an end-of-service reward according to the work system and the human resources policy approved by the company.
- Plans, programs and general guidelines for rewarding senior executives are approved by the Remuneration and Nomination Committee.
- The executive management implements the remuneration policy for employees and senior executives in light of the plans, programs and general directives approved by the committee.

Seventh: Additional determinants of rewards and method of disbursement:

1. Members of the Board of Directors may not vote on the item of remuneration for members of the Board of Directors at the meeting of the General Assembly of Shareholders.
2. The company discloses the remuneration of board members, committees and senior executives in the annual report of the Board of Directors in accordance with the controls and directives issued under the Companies Law and the Capital Market Authority's regulations and their implementing regulations.
3. 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.
4. Procedures for disbursing remunerations to members of the Board of Directors and committees are prepared by the Board Secretary.
5. Allowances for attending Board meetings, committees' remunerations, and fees for attending committees' meetings may be disbursed in installments at the end of each Gregorian quarter. As for the annual remuneration of the Board, it shall be paid in full after its approval at the annual General Assembly meeting.

Eighth: Details of the remuneration of members of the Board of Directors and its committees:

1) Members of the Board of Directors:

- a) Allowance of attending each meeting [SAR 3,000]
- b) Lump sum annual amount for one member, provided that the sum of what he receives in terms of financial or in-kind rewards and benefits does not exceed what is stipulated in the Companies Law.
- c) Bonus may be awarded linked to earnings: A certain percentage of the net profits is determined according to the recommendation of the Remuneration and Nominations Committee in the event that the company achieves profits after fulfilling the statutory conditions and requirements, taking into account the provisions of Paragraph (2) of Article (76) of the Companies Law and Article (21) of the Company's Articles of Association.
- d) Adjustment and Payment Mechanisms
 - The sum of the lump sum annual remuneration for a member of the Board of Directors referred to in Paragraph (b) of Clause (1) above may be reviewed from one period to another based on the recommendation of the Remuneration and Nominations Committee in light of the variables related to performance and then obtaining the approval of the General Assembly of Shareholders on that.
 - The meeting attendance allowance and the additional attendance allowance may be paid on a quarterly basis, while the annual lump sum bonus is paid after its approval by the general assembly of shareholders.

2) Members of the Board Committees:

- a) Allowance of attending each meeting [SAR 3,000]
- b) Lump sum annual amount for the member, provided that the sum of the rewards and financial or in-kind benefits he receives does not exceed 200,000 riyals (two hundred thousand riyals).
Annual remuneration and attendance allowance may be paid on a quarterly or annual basis.

3) Other expenses and benefits:

- a) The company bears the costs of travel tickets for members of the council and committees residing outside the city of Riyadh.
- b) The company shall bear the costs of accommodation and tickets for all members of the board, committees, and executive management in the event that the meeting is held outside the city of Riyadh.
- c) All travel tickets (round trip) for members of the council and committees shall be on the first or business class, with preference given to the national carrier (according to the available reservation).

Ninth: Final Provisions (Review, Amendment and Publication of this Policy):

The provisions of this policy are implemented and adhered to by the company as of the date of its approval by the general assembly of shareholders. This policy is published on the company's website to enable shareholders, the public and stakeholders to view it. This policy is reviewed periodically - when needed - by a committee Remunerations and nominations, and any amendments proposed by the Committee are presented to the Board of Directors, which studies and reviews the proposed amendments and recommends them to the General Assembly of Shareholders for approval.