

In the name of Allah, the most gracious, the most merciful

The work list of the nominations and rewards committee

Alkhaleej Company for Training and Education

(a Saudi joint stock company)

Approved by the decision of the General Assembly of Shareholders on 01/12/1444 AH corresponding to 19/06/2023 AD

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The work list of the nominations and rewards committee

Introduction:

The Board of Directors has the right to form a number of specialized committees that assist it and enable it to perform its duties effectively. The formation of these committees shall be in accordance with general procedures set by the Board that include defining the mission of each committee, the duration of its work, the powers vested in it during this period, and how the Board of Directors monitors it. The committee shall inform the Board of Directors of its findings or decisions it takes in a transparent manner. The Board of Directors shall regularly follow up on the work of these committees to ensure that they are carrying out the tasks entrusted to them. Each committee shall be responsible for its work before the Board of Directors, without prejudice to the responsibility of the Board for such work and the powers or authorities delegated to it.

Among the committees that the Board of Directors has the right to form, for example, are the Nominations Committee, the Remunerations Committee, and other committees that the Board may deem necessary to form. In the nomination and independence of the members of the Board of Directors and the integrity of the strategy of rewards, benefits, incentives, and salaries in the company.

Based on the foregoing, and after reviewing the Saudi Companies Law, its amendments, and its implementing regulations, and after reviewing the financial market system and its regulations, and after reviewing the amended Corporate Governance Regulations on 25/06/1444 AH corresponding to 18/01/2023 AD, and after reviewing the company's articles of association, the Board of Directors decided The management of Al-Khaleej Training and Education Company, with its powers to issue a work regulation for the Nominations and Remuneration Committee, provided that this regulation includes the controls and procedures for the work of the committee, its tasks, the rules for selecting its members, how to nominate them, the duration of their membership, and their rewards, provided that this list is presented to the general assembly of shareholders At its first meeting for approval.

Article One: Objectives of the Committee

1. The objectives of the Nominations and Remuneration Committee are to enhance effectiveness and performance by participating in selecting members of the Board of Directors and senior executives who are qualified to achieve the company's vision and in line with the approved policies and standards and developing the remuneration policy for members of the Board and senior executives in the company. The committee also submits any recommendations to the Board of Directors regarding the requirements of appropriate skills for membership of the Board in order to achieve the objectives of the company and protect the interests of shareholders and investors with high efficiency and reasonable cost.
2. The committee is also entitled, without any restrictions, to view and review all information, data, reports, records, and correspondence related to the nomination processes for membership of the Board or the appointment of senior executives in the company, as well as data related to the remuneration of the Chairman and members of the Board of Directors of the company and senior executives, or other matters that the Committee deems important to review. It falls within its competence and periodically raises recommendations to the Executive Management and the Board of Directors. The Board of Directors shall take all measures to ensure the performance of its duties by the Committee.
3. For the purpose of applying the provisions of these bylaws, the words and expressions mentioned below shall have the meanings indicated opposite each of them, unless the context requires otherwise:
 - Bylaws: Bylaws of the Nominations and Remunerations Committee of Al-Khaleej Training and Education Company.
 - Committee: The Company's Nominations and Remunerations Committee
 - Company: Al-Khaleej Training and Education Company (a Saudi joint stock company).
 - Board: The Board of Directors of Al-Khaleej Training and Education Company,
 - Chairman of the Board: Chairman of the Board of Directors of Al-Khaleej Training and Education Company,
 - Chief Executive Officer (Managing Director): A member of the company's board of directors who is entrusted by the board to follow up on the affairs of the executive management and general supervision of its work.
 - Committee Chairman: Chairman of the Nominations and Remunerations Committee at Al-Khaleej Training and Education Company

- Members: Executive, non-executive, and independent members of the Board of Directors and members of committees.
- Executive member: a member of the Board of Directors who is dedicated to managing the company and participates in its daily business and receives a monthly or annual salary from it.
- Non-Executive Member: A member of the Board of Directors who is not dedicated to managing the company, does not participate in its daily business, and does not receive a monthly or annual salary from it.
- Independent member: A non-executive board member who enjoys complete independence in his position and decisions, and the symptoms of independence do not apply to him.
- Senior Executives: They are the Chief Executive Officer, his deputies, general managers, and the like. Those responsible for developing and implementing strategic decisions for the company
- Authority: Saudi Capital Market Authority
- Tadawul/Market: The Saudi Stock Exchange
- Articles of Association: The articles of association of the Alkhaleej Training and Education Company.

Article Two: Formation of the Committee

1. A committee called (Nominations and Remuneration Committee) shall be formed by a decision of the Company's Board of Directors. The number of its members shall not be less than three and not more than five who are not members of the Executive Board of Directors, provided that at least one of them is an independent member.
2. The general assembly of shareholders shall issue - based on a proposal from the Board of Directors - the committee's work regulations, provided that these regulations include the committee's work controls and procedures, its tasks, the rules for selecting its members, their membership term, and their remunerations.
3. It is permissible to seek the assistance of members other than members of the Board of Directors, whether they are shareholders or others, provided that they have the capabilities, conditions and criteria required for committee members.

Article Three: Duration of Committee Membership

The term of membership of the Committee shall be four years, beginning with the beginning of the term of the Board of Directors of the Company and ending with the end of the term of the Board of Directors. The Board of Directors may also re-nominate the members of the Nominations and Remuneration Committee of the General Assembly of Shareholders for another similar period or period.

Article Four: Rules for selecting committee members

1. The committee member must have an appropriate educational qualification and previous experience in the field of business and corporate management, and knowledge of the administrative aspects and the nature of the company's business, in a way that enriches the work and discussions of the committee.
2. The committee member must enjoy the principles of honesty, trustworthiness, loyalty, objectivity, and independence when carrying out his work and care and attention to the interests of the company and the shareholders and prioritizing them over his personal interest.
3. A member of the committee must not be an executive member of the board of directors of the company or its subsidiaries, or someone who performs technical or administrative work in the company, even if it is for advice.
4. The member must enjoy complete independence from the company's executive management, and shall not have a direct or indirect interest in the business and contracts that are concluded for the company's account.
5. The member shall not engage in activities competing with the activities of the company, whether individually or through other companies and institutions.
6. The committee member must be committed to allocating sufficient time for the tasks of the committee, attending its sessions and actively participating in its work, and exerting due diligence in carrying out the work entrusted to him and keeping abreast of recent developments related to the company's business.
7. The Board of Directors shall select the members of the Committee from among the candidates for membership of the Committee. After completing the formation of the Committee, the Committee shall select a Chairman from among its members if the Board of Directors does not appoint him.
8. The chairman of the committee must be an independent member of the board of directors.

9. The Chairman of the Board of Directors may not be the Chairman of the Committee and may participate in membership only.
10. A secretary shall be appointed for the committee, who shall be responsible for preparing the minutes of its meetings and coordinating its work.
11. The company must notify the Authority of the names of the committee members and their membership descriptions within five working days from the date of their appointment, and any changes to that within five working days from the date of the changes.

Article Five: Committee work procedures

1. The committee meets at the invitation of its chairman, who presides over all committee meetings when he is present. If the committee chairman is absent from the committee meeting, he can authorize one of the committee members to chair the meeting, or the present members elect a temporary chairman among themselves during the meeting, and the committee meeting is not valid. Unless attended by at least half of the members
2. The decisions of the committee shall be based by the majority of the opinions of the attending members. The committee's deliberations and decisions are recorded in minutes signed by the chairman and members of the committee.
3. The members of the Committee shall abide by all the obligations of the members of the Board of Directors regarding the confidentiality of the information and documents they see.
4. The Board of Directors follows up on the work and performance of the committee through its chairman and through periodic reports submitted to the Board of Directors.
5. The chairman of the committee or whomever he delegates from among its members must attend the general assemblies to answer shareholders' questions.
6. The work of the committee ends with the expiration of the period specified for it or with the issuance of a decision by the board that terminates or re-forms the committee, and the expiry of the term of the board or its dissolution for any reason ends the period of assignment of the committee and the committee must be re-formed by the new board of directors, and the member of the committee may be re-appointed for other sessions.

Article Six: Exemption from Membership of the Committee

1. Any member of the committee may be exempted from membership if he violates the provisions of these regulations or for any reasons the company's board of directors deems appropriate.
2. A member of the committee may resign from the membership of the committee, provided that this is at a reasonable time acceptable to the board of directors, otherwise, he will be responsible before the company.
3. Any member of the Committee shall be exempted from membership by virtue of a decision of the Board upon the recommendation of the Chairman of the Committee in the following cases:
 - a. The member's request to be exempted from his membership in the Committee.
 - b. The member's misuse of his position on the committee or misbehavior that the board considers harmful to the objectives and reputation of the company.
 - c. The member's absence from attending three consecutive meetings or five separate meetings without an acceptable excuse accepted by the committee chairman.
 - d. The member loses any of the conditions that must be met in the membership of the Committee.
4. When the member's term expires during the term of the Committee's work due to death, resignation, disability, or exemption, the Board of Directors, based on the recommendation of the Committee Chairman, shall appoint another member to fill the vacant position in the Committee, taking into account the conditions that must be met by a member of the Committee.

Article Seven: Study the topics

1. The Committee shall study the issues that concern it or that are referred to it by the Board of Directors, and submit its recommendations to the Board to take a decision in their regard, or to take decisions if the Board delegates to it.
2. The committee may seek assistance from experts and specialists from inside or outside the company within the limits of its powers, provided that this is included in the minutes of the committee meeting, with the name of the expert and his relationship with the company or the executive management mentioned.

Article Eight: Committee meetings

1. The Committee holds its meetings periodically, at least twice a year, and whenever the need arises.
2. The committee shall hold its meetings at the invitation of the committee chairman, or at the request of two of its members, or the board of directors, provided that the request for the meeting indicates the reasons for it.
3. For the validity of the committee's meetings, the presence of the majority of its members is required, and its decisions are issued by the majority of the votes of those present. In the event of equal votes, the side with which the chairman of the meeting voted will prevail.
4. The CEO (Managing Director) or any of the executive members may be invited to attend the committee meeting without the right to vote.
5. No member of the Board of Directors or executive management who is not a member of the committee is entitled to attend its meetings unless the committee requests to hear his opinion or obtain his advice.
6. The agenda for the meeting shall be prepared by the Secretary of the Committee, in prior coordination with the Chairman and members of the Committee. To determine the topics to be discussed in the meeting.
7. The invitation to attend committee meetings shall be sent in writing by the committee chairman or whomever he authorizes from among the committee members or the committee secretary before a sufficient period of the meeting date, with the committee members provided with the meeting agenda and the necessary documents before a sufficient period of the meeting date.
8. The minutes of the committee's meetings are prepared by the secretary of the committee, provided that they include the discussions and deliberations that took place, documenting the committee's recommendations and voting results, indicating the names of the attending members and the reservations they made – if any –, and these minutes are signed by the committee chairman and all the attending members. Those minutes are kept in a special and organized register with the secretary of the committee.

Article Nine: Terms of reference and duties of the Committee

1. The Nominations and Remunerations Committee is responsible for the following:
2. Propose clear policies and criteria for membership in the Board of Directors and Executive Management.
3. Recommending to the Board of Directors to nominate and re-nominate its members in accordance with the approved policies and standards, taking into account not to nominate any person previously convicted of a breach of trust.
4. Preparing a description of the capabilities and qualifications required for membership of the Board of Directors and for occupying executive management positions.
5. Determining the time that the member should allocate for the work of the Board of Directors.
6. The annual review of the requirements of the appropriate skills or experience for the membership of the Board of Directors and the functions of the executive management.
7. Reviewing the structure of the Board of Directors and the executive management and making recommendations regarding changes that can be made.
8. Annually verifying the independence of the independent members and the absence of any conflict of interests if the member is a member of the board of directors of another company.
9. Develop job descriptions for executive members, non-executive members, independent members, and senior executives.
10. Developing special procedures in the event of a vacancy in the position of a member of the Board of Directors or a senior executive.
11. Determining the strengths and weaknesses of the Board of Directors, and proposing solutions to address them in line with the company's interest.
12. Preparing a clear policy for the remuneration of members of the Board of Directors, committees emanating from the Board, and the Executive Management, and submitting it to the Board of Directors for consideration in preparation for approval by the General Assembly, provided that the policy follows performance-related standards, discloses them, and verifies their implementation.
13. Clarify the relationship between the granted rewards and the applicable rewards policy, and indicate any material deviation from this policy.
14. Periodically reviewing the remuneration policy, and evaluating its effectiveness in achieving the objectives set for it.
15. Recommending to the Board of Directors the remuneration of the members of the Board of Directors, its committees and senior executives of the company in accordance with the approved policy.

Article Ten: Responsibilities of the Committee

1. When nominating members of the Board of Directors, the committee must take into account the terms and conditions contained in these regulations, the company's Articles of Association, the Companies Law, the governance regulations issued by the Capital Market Authority, and the requirements decided by the competent authorities.
2. The Committee shall take into account the eligibility of every shareholder in the company to nominate himself or others for membership of the Board of Directors in accordance with the provisions of the Regulations.
3. The committee must take into account the following in the policy of remuneration for members of the Board of Directors, its committees, and senior executives:
 - a. Its consistency with the company's strategy and objectives.
 - b. Remunerations should be provided for the purpose of urging members of the Board of Directors and executive management to make the company successful and develop in the long term, such as linking the variable part of the remunerations to long-term performance.
 - c. Remunerations shall be determined based on the level of the job, the tasks and responsibilities assigned to the incumbent, academic qualifications, practical experience, skills, and level of performance.
 - d. Its consistency with the size, nature, and degree of risks in the company.
 - e. Taking into account the practices of other companies in determining bonuses, while avoiding what may result from unjustified increases in bonuses and compensation.
 - f. To aim at attracting, maintaining, and motivating professional competencies, without exaggerating them.
 - g. Cases of stopping the payment of bonuses or refunding them if it was found that they were 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.
 - h. Organizing the granting of shares in the company to the members of the Board of Directors and the executive management, whether it is a new issue or shares purchased by the company.

Article Eleven: Terms of reference of the committee chairman and the committee secretary

First - Chairman of the Committee:

The Chairman of the Committee shall supervise the completion of its tasks and shall, in particular, have the following:

1. Presiding over the committee meetings.
2. Calling the committee to convene and specifying the time, date, place and agenda for the meeting, in coordination with the committee members.
3. Appoint a committee secretary from within or outside the committee.

Second - Secretary of the Committee:

The secretary of the committee attends its meetings without having the right to vote. When selecting the secretary of the committee, it is taken into account that he has the educational qualification and practical experience that enables him to carry out the tasks entrusted to him. The secretary of the committee performs the following tasks:

1. Carry out all the administrative work of the committee,
2. Informing the committee members of the committee's meeting dates and agenda.
3. Editing the minutes of the meeting, indicating the date and place of the meeting, the names of those present and absent, a summary of the discussions, and the texts of the recommendations and decisions reached by the committee.
4. Save a copy of the signed minutes in a special file, along with all documents and correspondence related to the minutes.

Article Twelve: Committee members' remuneration

The Board of Directors determines the annual remuneration for the committee members in line with the Companies Law, its executive regulations, the company's articles of association, and the regulations and instructions in force from the relevant authorities. If a committee member is exempted for any reason, his reward is calculated according to the period he spent in the committee membership, and the disclosure must be made in the Board of Directors' report. About the remunerations and benefits that were paid to the members of the committee.

Article Thirteen: Final Provisions (Publication, Entry into Force and Amendment)

1. After approval of the bylaw by the Board of Directors based on the recommendation of the Nominations and Remuneration Committee, the Board shall present it to the General Assembly of Shareholders for approval.
2. The Board of Directors may, to facilitate the work of the committee, make any amendment to these regulations upon the recommendation of the Nominations and Remuneration Committee, provided that this amendment does not affect the essence of the regulations and is in line with the policies and procedures issued by the regulatory authorities. Provided that this amendment shall be presented to the General Assembly of Shareholders at its nearest meeting for approval.
3. This regulation should be reviewed by the Board of Directors and the Nominations and Remuneration Committee regularly, especially when changes occur in the company's policy that requires reviewing and amending the regulations. The management of the company shall notify the Nominations and Remuneration Committee of any changes that may occur in the company's policy or any other statutory changes that require a review of the contents of these regulations.
4. These Regulations are complementary to what is stated in the regulations and regulations of the regulatory authorities in the Kingdom of Saudi Arabia and are not a substitute for them. In the event of any conflict between what is stated in the Regulation and the regulations and regulations of the regulatory authorities, the regulations and regulations of the regulatory authorities shall prevail.
5. These regulations shall be applied, complied with and enforced as of the date of their approval by the General Assembly of Shareholders.

Allah bless,