Draft

Remuneration Policy of Gulfa General Investments PJSC Board of Directors

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Definitions

The following terms have the meanings shown next to each of them:

Particulars	Definition
Commercial Companies Law	Federal Law No. (2) of year 2015 regarding commercial companies, as amended from time to time.
Corporate Governance Regulations	Decision No. (3 / R.M) of the Board of Directors of the Securities and Commodities Authority for the year 2020 regarding the adoption of the Public Shareholding Company Governance Manual, as amended from time to time.
Authority	Securities and Commodities Authority (SCA)
Competent Authority	The Department of Economic Development.
Company	Gulfa General Investments PJSC
Board	Board of Directors of the Company.
Board Member	A person or a representative of a legal person, who is a member of the company's board of directors.
Chairman	Chairman of the Board of Directors
Executive Member	A member who holds a position in the company or receives a monthly or yearly salary from it.
Non-Executive Member	A member that neither holds any position in the company, nor receives a salary therefrom, and the remuneration it receives a Board member shall not be considered as a salary.
permanent Committees	The committees formed by a decision of the Board and are the Nomination and Remuneration Committee (NRC) and the Audit Committee (AC).

1. Introduction

1.1. Purpose of the Policy

(a) To determine the method of calculating the remuneration of the Chairman and members of the Board of Directors to ensure the application of the highest standards based on effective performance, by attracting, retaining and motivating the appropriate competencies to successfully manage the company, to create a

continuous future value for the company's performance, which is in the interest of shareholders.

(b) Remunerations are subject to change in line with the company's performance, Through permanent and continuous alignment with its medium and long-term strategic objectives.

1.2. Update, review, and approval

(a) The Shareholders have approved this policy in their Annual General Assembly Meeting held as on ……

(b) The NRC reviews and reassesses this policy whenever needed. Any significant modifications arising out of the review shall be recommended to the Board for their review and recommendation to obtaining approval from general assembly to ensure that it is in line with relevant laws and regulations, stipulated in the Commercial Companies Law, Corporate Governance Regulations and the Authority's recommendation, as amended from time to time.

2. Remunerations and Allowances

2.1 After the issuance of the audited annual financial statements, the Board of Directors proposes its remunerations to the annual general assembly for approval.

2.2 In proposing the remuneration to the General Assembly, the following shall be considered:

(a) The proposed remuneration of the Board chairman and members shall consist of a percentage of the net profits of the relevant year and shall not exceed 10% of the net profits for such financial year after deducting all depreciation and reserves.

(b) Fines that may have been imposed on the Company by the Authority or the Competent Authority due to violations by the Board of the Law or the Articles of Association during the ended fiscal year shall be deducted from the remuneration. The General Assembly may decide not to deduct such fines or some of them if it considers that such fines were not the result of default or error of the Board.

(c) The Board Member remuneration per member shall be distributed – after obtaining the annual general assembly meeting - based on the number of board attendance in the Board meetings of the relevant year as per the following restrictions:

1) Board Members who attend himself the minimum number of Board meetings required (at least four) during a year shall be entitled to the full remuneration.

2) Board Members who do not attend him/her self the minimum number of Board meetings required (at least four) during a year shall not be entitled to the full remuneration, however his remuneration will be based on a pro-rata share of the full remuneration based on the number of meetings he attended him/her self during the year.

(d) Executive members may be paid a (monthly / Yearly) salary in exchange for performing their executive duties. The salary of the executive members shall be proposed by the NRC

and shall be revised and approved by the Board, and is determined taking into consideration the following:

1) The skills and experience of the executive member.
2) the level of his contribution to the company's business.
3) To be reasonable and proportionate to the company's performance.

(e) Non-executive members shall not be entitled under any circumstances to receive a monthly or annual salary from the Company.

(f) With the approval of the Chairman attendance allowance (not exceeding AED 10,000/- per meeting) may be paid to Board members who serve in any permanent committee.

(g) Remuneration may be granted to members of the Board of Directors who make special efforts or do additional work to serve the company beyond their usual duties as members of the Board of Directors, and these remunerations must be determined and presented to the Board for approval based on a resolution issued by it

(h) Attendance allowance shall not be paid to the Chairman or a Board member for attending Board meetings.

(i) Board Members may obtain and claim all expenses incurred by them to carry out their duties, for example, but not limited to, travel, transportation, and accommodation expenses ... etc. subject to the approval of the Chairman.

3. Disclosures

The Board will ensure that the annual governance report includes the details and reasons for all the amounts paid by the company to the Board Members in detail in accordance with this policy.

4. Value Added Tax

All types of bonuses paid to the board members in accordance with this policy will be net of VAT.