

Board of Directors Remuneration Policy

aramex
delivery unlimited

Policy Name	Board of Directors Remuneration Policy
Policy Content Owner	Board Secretary
Effective Date of the Policy	The Policy will be effective as of the date of its approval by the shareholders in the AGM held on 20 March 2025
Main Policy Statement	Establish a defined framework, scope, and guidelines for provision of remuneration paid to the Board of Directors of Aramex PJSC
Eligibility or Scope	Board of Directors of Aramex PJSC

1. Introduction

1.1 The remuneration policy for the Board of Directors and its committees has been developed in line with the UAE Commercial Companies Law (Federal Law No. 32 of 2021) and applicable resolutions, including the Securities and Commodities Authority's (SCA) Chairman of the Board of Directors Resolution No. (3/R.M) of 2020 amended under SCA's Board of Directors Decision no. (2/RM) of 2024 (the "Governance Guide"). The resolution outlines the Corporate Governance Guide for Public Joint Stock Companies (PJSCs). This policy will only apply to the extent that it does not conflict with the provisions of aforementioned laws.

1.2 This Policy has been prepared by the Nomination and Remuneration Committee and approved by the Board and the General Assembly on 20 March 2025 with the favorable vote of Shareholders confirming the alignment of Aramex with Investors and Proxy guidelines and the current regulatory framework.

1.3 Any material amendments proposed by the Nomination and Remuneration Committee to this Policy shall be confirmed by the Board and approved by the General Assembly.

2. Purpose

2.1. The Board of Directors Remuneration Policy (this "Policy") of Aramex PJSC (the "Company" or "Aramex") comprises a defined framework with scope and guidelines for provision of remuneration paid to the Board of Directors (the "Board"). The Policy also defines a competitive remuneration package, designed to attract, retain, and motivate individuals, who possess the necessary leadership values, and the requisite skills and experiences (the "Directors" or "Board Members") to enable the Company's strategic vision and goals.

2.2. The policy also outlines the mechanism the proposed remuneration of Directors was built in addition to comparing such remunerations against the market.

2.3. The Policy is therefore developed within a clear and transparent governance framework taking into account the overall principles of orientation toward business goals, compliance with regulations and principles of good professional conduct.

3. Principles

The Policy is focused on driving consistent long-term value creation, while adopting the highest standards of Corporate Governance. The Policy is built on the principles mentioned below:

3.1. **Alignment of Aramex's Vision and Goals**: Align Directors' interests with the long-term interests of the Company, reinforcing the Company vision and contributing value to its shareholders;

3.2. **Institute Aramex's Values**: Offer competitive and fair remuneration to attract and retain qualified individuals that exemplify the Company values while ensuring no discrimination based on gender, race, ethnicity or religion in accordance with the provision and the commitment towards diversity, equality and inclusion outlined in the Aramex's Diversity, Equality, and Inclusion Policy;

3.3. **External Equity and Competitiveness**: Offer a remuneration package in alignment with the Company's performance, the current market standards, and tailored to the dedication, qualification and responsibility of the Directors;

3.4. **Balanced and Fair**: Recognize the Directors' substantial time and responsibility necessary to oversee the affairs of the Company; and

3.5. **Highest Standards of Corporate Governance**: Support and encourage the independence and objectivity of Directors in order to make decision in the best interest of the Company;

4. Scope

The Policy applies to all Members of the Board of Directors (Executive/Non-Executive and Independent/Non-Independent Directors) who are serving on the Board of Directors and Board Committees.

5. Board Remuneration Benchmarking Process

5.1. As guided by the Nomination and Remuneration Committee, Aramex annually reviews key market practices through the Board remuneration benchmarking process to ensure that the Board's remuneration remains competitive and aligned with market standards.

5.2. The results of the analysis are based on a benchmark assessment against selected peers, in accordance with the Paragraph 5 of the Article (29) 'Remuneration of the Chairman and Members of the Board of Directors', of the Governance Guide.

5.3. The proposed adjustments are submitted for approval by the General Assembly.

5.4. When selecting benchmarking peers, the following guidelines should be considered:

- **Company Size:** Peer companies should be selected based on revenue, with comparable sizes defined as 0.5x to 2x of Aramex's revenue, in line with market practices.

- **Industry Similarity:** The peer group comparison should prioritize similarly sized companies in the transportation and express delivery sectors. If such companies are not available or their numbers are limited, the peer group should include companies from industries with comparable financial structures, excluding those in the financial and construction sectors.

- **Data Availability:** Only companies that have disclosed sufficient information about board remuneration for a specific year and have actually paid remuneration to their board members should be included in the peer group.

- **Regional Differences:** Due to significant differences in board remuneration structures between GCC companies and those in other regions, the analysis should be conducted using two separate peer groups: an International Peer Group and a UAE/GCC Peer Group.

6. Board Remuneration Structure

6.1. The table below summarizes the main pay components of the remuneration package for the Directors:

Component	Purpose
Board Chairperson Annual Fixed Remuneration	Annual fee for the special responsibility and dedication demanded from the Chairperson of the Board of Directors, but without reaching levels that would compromise his/her judgement. **Set at AED 700,000**
Board Member Annual Fixed Remuneration	Annual fee for the responsibility and dedication demanded by Members of the Board of Directors, but without reaching levels that would compromise their judgement. **Set at AED 400,000**
Committee Chairperson Attendance Fee	Fixed fee payable to a Committee Chairperson for attending Committee meetings. **Set at AED 15,000 per meeting**
Committee Member Attendance Fees	Fixed fee payable to Board Committee Members and Board Members invited by Committee Chairpersons for attending Committee meetings. **Set at AED 10,000 per meeting**

6.2. Unless otherwise specified, all the Directors (including Board and Committee Chairpersons) are eligible for the Annual Fixed Remuneration and Committee Attendance Fees (if applicable) as recommended by the Board and approved by the shareholders of the Company.

6.3. The Chairperson and Board Members shall not be paid attendance fees for attending Board meetings or AGM.

6.4. Directors who also sits in Committees, whether as Member or Chairperson, do not receive any additional fixed remuneration: their remuneration include the Annual Fixed Remuneration as Board Member, and the additional Attendance Fees based on the number of Committee meetings they attended during the course of the year.

6.5. In any case, the remuneration of Board Members must not exceed 10% of the net profit for the fiscal year ended after deducting depreciation and reserves.

6.6. The Directors do not receive any performance-based remuneration (such as bonuses, share-related long-term incentive schemes or other forms of variable remuneration).

6.7. The Board members may receive additional payments such as compensation of the expenses, additional fees, premiums, or a monthly salary, as per the policies recommended by the Nomination and Remuneration Committee, approved by the Board, and ratified by the Company's shareholders. This applies if a Board member serves on a committee, undertakes special tasks, or performs additional work beyond their regular Board duties.

6.8. The Annual Fixed Remuneration, Committee Attendance Fees, and reimbursement of Expenses shall be earned on an annual basis. The accrued remuneration is entirely paid in cash without any deferral scheme. No Company's equity is provided.

7. Reimbursement of Expenses

7.1. The only other allowance paid to the Board Members in addition to the above components for attending Board and Committee meetings is the payment for travel and accommodation costs (Expenses) as per the Company's Board-approved Board of Directors Travel Policy.

7.2. Members of the Board Committees and Board Members invited by the respective Committees Chairpersons to Committee meetings are entitled both to Committee Attendance Fee and reimbursement of Expenses (if applicable) for the meetings attended.

8. Pro Rata Payments

In the event a Board Director and/or Committee Member does not serve for an entire calendar year, the remuneration paid to such Director/Member shall be prorated for the portion of the period served on the Board and/or Committee.

9. Remuneration Governance

9.1. In accordance with the Governance Guide, the Policy is established in order to ensure that decisions are taken independently, thereby avoiding the risk of possible conflicts of interest and guaranteeing accurate disclosure.

9.2. In proposing the amounts to the shareholders, the Nomination and Remuneration Committee of the Board will ensure that the proposed Board Member remuneration shall be in line with the relevant and applicable laws and regulations and this Policy.

9.3. Each year, the Nomination and Remuneration Committee will propose the Annual Fixed Remuneration and Committee Attendance Fees based on the market leading practices as explained in clause 5 of this Policy and the performance of the Company in the respective year and taking into account investors inputs and proxy advisors' feedback and guidelines.

9.4. Based on the proposal of the Nomination and Remuneration Committee with respect to the Annual Fixed Remuneration and Committee Attendance Fees, the Board of Directors shall make a recommendation to the Company's shareholders for approval.

9.5. The Aramex shareholders have the final authority to approve the Board of Directors' Remuneration Policy.

9.6. This Policy shall remain active unless revised or temporarily rescinded by the Nomination and Remuneration Committee for the further approval of the Company's shareholders.

10. Disclosure of Board Remuneration in the Integrated or Corporate Governance Report

The Board will ensure that the Company's annual corporate governance report provides a comprehensive overview of all payments made by the Company to each Board Member, the Chairman, and each Committee Member in accordance with actual templates and standards, provided by regulator. This includes details and justifications for any fixed fees, allowances or other payments provided to the Board Members during the relevant financial year.