

## The Proposed Amendments to the Corporate Governance Regulations

| Article/Paragraph                                 | Current version   | Proposed version   |
|---|---|--|
| Definition of (Relatives) in Article 1            | Relatives:<br>- Fathers, mothers, grandfathers and grandmothers (and their ancestors).<br>- children and grandchildren and their descendants.<br>- siblings, maternal and paternal half-siblings and their children.<br>- Husbands and wives. | Relatives:<br>- Fathers, mothers, grandfathers and grandmothers (and their ancestors).<br>- children and grandchildren and their descendants.<br>- siblings, and maternal/paternal half-siblings <del>and their children</del> .<br>- Husbands and wives.  |
| Sub-paragraph 8 of paragraph (c) of Article (20)  | 8) if the member of the Board receives financial consideration from the Company in addition to the remuneration for his/her membership of the Board or any of its committees;   | 8) if the member of the Board receives financial consideration from the Company in addition to the remuneration for his/her membership of the Board or any of its committees <b>exceeding an amount of (SAR 200,000) or 50% ,whichever is less, of its remuneration of the last year for the membership of the board or any of its committees;</b> |
| Sub-paragraph 10 of paragraph (c) of Article (20) | Guiding Paragraph   | Mandatory Paragraph  |
| New paragraph (Article 20)                        | New Paragraph   | <b>The businesses and contracts with the board member to meet his/her personal needs shall not be deemed as an interest that affect the independence requirement of the board member which require a prior authorization from the ordinary general assembly that is renewed annually, provided that such businesses</b>                            |

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|                                      |   | <p>and contracts are carried out in the same conditions and settings followed by the company with all contractors and dealers. Such businesses and contracts must be within the normal course of the Company's activities unless the Nominations Committee considers otherwise.</p>  |
| <p>paragraph (3) of Article (46)</p> | <p>3) the chairman of the Board informing the Ordinary General Assembly, once convened, of the competing businesses that the member of the Board is engaged in.</p>   | <p>3) the chairman of the Board informing the Ordinary General Assembly, once convened, of the competing businesses that the member of the Board is engaged in, <b>after the Board assesses the board member's competition with the company's business or if he/she is in competition with one of the branch activities that it conducts in accordance with the procedures approved by the Board, provided that such businesses are assessed on annual basis.</b></p>                                      |
| <p>Article (93)</p>                  | <ul style="list-style-type: none"> <li>- The schedule of disclosure for senior executive remunerations specified in Appendix 1 of the Corporate Governance Regulations is mandatory.</li> <li>- The remuneration of senior executives mentioned in sub-paragraph (b) of paragraph (4) of Article 93 of the Corporate Governance Regulations is disclosed separately.</li> </ul> | <ul style="list-style-type: none"> <li>- The schedule of disclosure for senior executive remunerations specified in Appendix 1 of the Corporate Governance Regulations is of guiding nature.</li> <li>- The remunerations of senior executives mentioned in sub-paragraph (b) of paragraph (4) of Article 93 of the Corporate Governance Regulations is disclosed collectively.</li> <li>- The disclosure of Senior Executives' remunerations in the Board of Directors' reports, which will be</li> </ul> |



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|                   |                 | issued for the financial periods beginning on 1/1/2020, shall be detailed in accordance with the table for the disclosure of Senior Executives remunerations specified in Annex 1 of the Corporate Governance Regulations |