

Remuneration of Board Members, Sub-committees and Executive Management:

GASCO pays remuneration, expenses and attendance allowance to the members of the Board of Directors and committees, based on the provisions of the articles contained in the Saudi Companies Law of the Ministry of Commerce and its executive regulations, the company's articles of association, the Capital Market Law (CMA) and its implementing regulations, and The company also pays the salaries, bonuses and compensation of the executive management according to the employment contracts concluded with them.

General criteria for remuneration:

The Nomination and Remuneration Committee shall be responsible for recommending to the Board of Directors the remuneration of the members of the Board of Directors, the committees, and the executive management, taking into account:

- To be commensurate with the company's activity and the skill necessary for its performance and consistent with the company's strategy and objectives.
- Urging the members of the Board of Directors and the executive management to make the company successful and grow it in the long term.
- Remuneration is determined based on the level of the job, the tasks and responsibilities assigned to the incumbent, educational qualifications, work experience, skills, and level of performance.
- Consistency with the size, nature, and degree of risk of the company.
- Taking into account the practices of other companies in determining remuneration, while avoiding the resulting unjustified rise in remuneration and compensation.
- To aim to attract, retain and motivate professional competencies, while not exaggerating them.
- Suspension or refund of remuneration if it is found that it was decided based on inaccurate information provided by a member of the Board of Directors or executive management, in order to prevent exploitation of employment status to obtain undue remuneration.
- If the General Assembly decides to terminate the membership of any member of the Board of Directors who is absent due to his failure to attend three consecutive meetings of the Board without a legitimate excuse, such member shall not be entitled to any remuneration for the period following the last meeting he attended, and he shall return all the remuneration paid to him for that period.
- In all cases, the total remuneration and financial or in-kind benefits received by a member of the Board of Directors shall not exceed the amount of five hundred thousand riyals annually.
- Disclose in the annual report of the Board of Directors the details of the policies related to remuneration, the mechanisms for determining them, and the amounts and financial and in-kind benefits paid to each member of the Board of Directors for any executive, technical, administrative, or advisory work or positions.

Remuneration of the members of the Board of Directors:

In accordance with Article (21) of the Company's Articles of Association, the remuneration of the members of the Board of Directors shall consist of a certain amount, attendance allowance for meetings, in-kind benefits or a certain percentage of the net profits, and in the event that a certain percentage of the net profits, the provisions of paragraph (5) of Article (45) of the Company's Articles of Association must be observed, and two or more of these benefits may be combined within the limits stipulated in the Companies Law or any other complementary regulations, in addition to what is decided by the Company.

The Board of Directors of travel, accommodation, and accommodation expenses for each session of non-resident members in accordance with the regulations, decisions, and instructions in force in the Kingdom issued by the competent authorities. The report of the Board of Directors to the Ordinary General Assembly shall include a comprehensive statement of all salaries, attendance allowances, expenses and other benefits received by the members of the Board of Directors during the fiscal year, as well as a statement of what the members of the Board received as employees or administrators or what they received in return for technical, administrative, or consulting work previously approved by the Ordinary General Assembly.

- The remuneration of independent directors shall not be a percentage of the profits achieved by the company or be based directly or indirectly on the profitability of the company.
- The entitlement to the remuneration of the members of the Board of Directors must be proportionate to the number of sessions attended by the member.
- The member's entitlement to remuneration shall be for the period from the date of his appointment to the Board and according to the term of his membership.
- The recommendation of the Board of Directors to pay the remuneration of the members of the Board for the ended fiscal year shall be presented in a separate item in the General Assembly, and the members of the Board of Directors may not vote on it.
- The remuneration of the members of the Board of Directors shall be paid after the approval of the General Assembly.
- Allowances for attending meetings of the Board of Directors may be paid at the end of each Gregorian quarter.

Remuneration of BoD committees:

- The remuneration of committee members consists of an annual remuneration (lump sum) for the membership of each committee or an attendance allowance for the sessions or both, in addition to the travel, accommodation and accommodation expenses decided by the Board of Directors for each session for non-resident members in accordance with the regulations, decisions and instructions in force in the Kingdom issued by the competent authorities.
- The member's entitlement to remuneration shall be for the period from the date of his appointment to the Committee and according to the term of his membership.
- The remuneration of committee members and attendance allowances shall be paid at the end of each calendar quarter.

Based on the above, the Board of Directors has determined the remuneration of the Board of Directors for the year 2023 with a certain amount for each member in accordance with the above policy, in addition to a remuneration for the company's representatives in the memberships of the boards of directors of associate and subsidiary companies not exceeding (100) thousand riyals for members whose remuneration is not paid for their membership in those companies or whose remuneration amounts in those companies do not reach the amount of (100) thousand riyals, so the full remuneration or its complement is paid. Taking into account that in all cases, the total remuneration and financial benefits received by the member of the Board of Directors - or in kind shall not exceed the amount of five hundred thousand riyals annually - except for the remuneration and allowances of the Audit Committee, and these remunerations will be disbursed after the approval of the company's general assembly.

As for the allowances for attending the Board and the committees, an amount of (3000) riyals were set for each session, in addition to a reward for the membership of each committee at an amount of 50 thousand riyals for each member, except for the audit committee, the committee's reward was determined at (100) thousand riyals for each member, and these allowances and bonuses were paid on a quarterly basis.

Remuneration of the Chairman:

- The remuneration of the Chairman of the Board if any, shall consist of an annual remuneration (lump sum) in addition to the allowance decided by the Board of Directors of travel, accommodation, and accommodation expenses and what would perform the competencies prescribed to it in accordance with the regulations, decisions, and instructions in force in the Kingdom issued by the competent authorities.
- The remuneration of the Chairman of the Board if any, shall be paid at the end of each Gregorian quarter.

Executive Management Remuneration Policy:

Executive management remuneration consists of:

- Fixed bonuses that include basic salaries - paid on a monthly basis at the end of each calendar month -, allowances, including (housing allowance, transportation allowanceetc.), other benefits, including (medical insurance, social insurance contributions paid in accordance with regulations, annual leaves ... etc.).
- Variable bonuses, if any, including periodic bonuses, dividends, short- and long-term incentive plans, and shares granted.
- End of service gratuity.

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee, shall be responsible for approving the remuneration structure for the various levels of employees in the Company. Accordingly, there is no material deviation between the remuneration granted and the applicable policies.

The details of the remuneration, salaries and expenses paid to the members of the Board of Directors and senior executives of the Company including the CEO and Chief Financial Officer of the Company for the year 2023 are as follows:

Members of the Board of Directors:

During the year 2023, the Investment Committee held (4) meetings according to the following details:

Members	A certain amount	Allowance for attending Board meetings	Total allowance for attending committee meetings	Remuneration for representing the company in the memberships of the boards of directors of associates and subsidiaries	Total	Expense allowance
Independent Members						
Abdulaziz Fahad Alkhayyal - Chairman of the Board	367,000	12,000	24,000		403,000	12,500
Turki Abdullah Al-Jawini	379,000	12,000	21,000		412,000	19,700
Raed Abdullah Al-Tamimi	379,000	12,000	21,000		412,000	
Ibrahim Hamad Al-Rashed***	379,000	12,000	21,000		412,000	
Saad Abdulaziz Al Hogail***	376,000	12,000	24,000		412,000	
Total	1,880,000	60,000	111,000	-	2,051,000	32,200

Members	A certain amount	Allowance for attending Board meetings	Total allowance for attending committee meetings	Remuneration for representing the company in the memberships of the boards of directors of associates and subsidiaries	Total	Expense allowance
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Non-Executive Members

Ali Mohammed Al Saflan - Vice Chairman of the Board	317.000	12.000	33.000		362.000	
Bakr Abdulrahman Al-Muhanna	317.000	12.000	33.000		362.000	
Ahmed Abdulrahman Almohsen	376.000	12.000	24.000		412.000	
Muhammad Hamad Alkathiri	317.000	12.000	21.000		350.000	
Total	1.327.000	48000	111.000	-	1486.000	

Members	A certain amount	Allowance for attending Board meetings	Total allowance for attending committee meetings	Remuneration for representing the company in the memberships of the boards of directors of associates and subsidiaries	Total	Expense allowance
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Executive Members

Abdulrahman bin Abdulaziz bin Sulaiman*	376.000	12.000	12.000	50.000	438.000	
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Committee Members:

Committee Members	Fixed remuneration (excluding attendance allowance)	Allowance for attending sessions	Total
Audit Committee			
Ahmed Abdulrahman Almohsen, Chairman of the Committee	100,000	21.000	121.000
Raed Abdullah Al-Tamimi	100,000	21.000	121.000
Ahmed Abdullah Al-Munif	100,000	21.000	121.000
Mousa Abdullah Al Mousa	100,000	21.000	121.000
Total	400.000	84.000	484.000
Executive Committee			
Eng. Abdulaziz Fahad Al-Khayyal - Chairman of the Committee	50.000	12.000	62.000
Mr. Ali Mohammed Al-Safla	50.000	12.000	62.000
Doctor Muhammad Hamad Alkathiri	50.000	12.000	62.000
Eng. Abdulrahman Abdulaziz Bin Sulaiman	50.000	12.000	62.000
Total	200.000	48.000	248.000

Committee Members	Fixed remuneration (excluding attendance allowance)	Allowance for attending sessions	Total
Nomination and Remuneration Committee			
Mr. Turki Abdullah Al-Jawini – Chairman of the Committee	50.000	9,000	59.000
Mr. Ali Mohammed Al-Safla	50.000	9,000	59.000
A. Bakr Abdulrahman Almohanna	50.000	9,000	59.000
Eng. Abdulaziz Fahad Alkhayyal	50.000	9,000	59.000
Total	200.000	36,000	236.000
Investment Committee			
Mr. Bakr Abdulrahman Al-Muhanna - Chairman of the Committee	50.000	12,000	62.000
Mr. Ahmed Abdulrahman Almohsen	50.000	12,000	62.000
Dr. Saad Abdulaziz Alhogail	50.000	12.000	62.000
Total	150.00	36,000	186.000

Committee Members	Fixed remuneration (excluding attendance allowance)	Allowance for attending sessions	Total
Risk Committee			
Mr. Raed Abdullah Al-Tamimi – Chairman of the Committee	50.000	9,000	59.000
Mr. Ibrahim Hamad Al-Rashed	50.000	9,000	59.000
Dr. Mohammed Hamad Alkathiri	50.000	9,000	59.000
Dr. Ahmed Abdullah Al-Munif	50.000	9,000	59.000
Total	200.000	36.000	236.000

Senior executives

	Amount	Amount
Fixed remuneration	Salaries	5,174,824.32
	Allowances	1,920,106.08
	Benefits in kind	338,542.00
	TOTAL	7,433,472.40

	Amount	Amount
Variable remuneration	Short-term Incentive plans	673,083.44
	Short-term Incentive plans	1,999,406.00
	TOTAL	2,672,489.44
	Grand total	10,105,961.84

A statement of any arrangements or agreement whereby a member of the Company's Board of Directors or senior executives waives any remuneration:

No arrangements or agreement have been made whereby a member of the Company's Board of Directors or senior executives has waived any remuneration.

A statement of the number of shares owned by the members of the Board of Directors and senior executives and their change during the year 2023, and a description of any interest, contractual securities and subscription rights belonging to the members of the Board of Directors of the Company, senior executives and their relatives in the shares or debt instruments of the Company or any of its subsidiaries, and any change in such interest or rights during the last fiscal year.

Members of the Board of Directors:

	The name of Shareholder	Start of the year		End of year		Net change	Percentage change
		Number of shares	Debt Instruments	Number of shares	Debt Instruments		
1	Eng. Abdulaziz Fahad Abdullah Alkhayyal	-	-	-	-	-	-
2	Mr. Ali bin Mohammed Al Saflan	1,000	-	1,000	-	-	-
3	Mr. Ibrahim Hamad Al-Rashed	-	-	-	-	-	-
4	Mr. Hamad Abdulrahman Almohsen	670	-	670	-	-	-
5	Mr. Bakr Abdulrahman Al-Muhanna	-	-	-	-	-	-
6	Mr. Turki Abdullah Al-Jawini	-	-	-	-	-	-
7	Mr. Raed Abdullah Saleh Al-Tamimi	-	-	-	-	-	-
8	Doctor Muhammad Bin Hamad Alkathiri	-	-	-	-	-	-
9	Dr. Saad Abdulaziz Alhogail	-	-	-	-	-	-
10	Eng. Abdulrahman bin Abdulaziz bin Sulaiman	-	-	-	-	-	-

There is no interest, contractual securities and subscription rights belonging to the members of the Board of Directors of the Company and their relatives in the shares or debt instruments of the subsidiary, and there is no change in such interest or rights during the last financial year.

Senior Executives

	The name of Shareholder	Start of the year		End of year		Net change	Percentage change
		Number of shares	Debt Instruments	Number of shares	Debt Instruments		
1	Eng. Abdulrahman bin Abdulaziz bin Sulaiman	-	-	-	-	-	-
2	Mr. Majed bin Ahmed Qwaider	-	-	-	-	-	-
3	Mr. Ibrahim bin Suleiman Al-Ateeq	-	-	-	-	-	-
4	Eng. Raed Nasser Al-Haidari	-	-	-	-	-	-
5	Eng. Abdulhadi Bin Ayed Al-Qahtani	-	-	-	-	-	-

There is no interest, contractual securities, and subscription rights attributable to senior executives and their relatives in the shares or debt instruments of the subsidiary, and there is no change in such interest or rights during the last financial year.

Actions taken by the Board of Directors to inform its members, especially non-executives, of the shareholders' proposals and observations regarding the Company and its performance:

During the year 2023, the company did not receive any suggestions or observations from shareholders regarding the company and its performance, except what was discussed in the assemblies held during the year and responding to shareholders' inquiries and observations at the time and in the presence of the members of the Board of Directors, or by reviewing the minutes of the assembly.

Penalties, precautionary measures, or precautionary restrictions imposed on the Company by the Authority or any supervisory, regulatory, or judicial authority:

The total fines and penalties imposed on the company during the fiscal year 2023 (48,616) riyals, and their breakdown is as follows:

M	Penalty / Precautionary Measure / Reserve Registration ⁶	Reasons for the violation	The signatory of the violation	Total Amount (SAR)	The way to treat them and avoid their occurrence in the future
1	Financial penalty	Withholding tax penalty	Zakat, Tax and Customs Authority	5,616	Follow regulatory requirements
2	Financial penalty	Violations of licensing requirements	Transport General Authority	43,000	Follow regulatory requirements
Total		48,616			

The results of the annual review of the effectiveness of internal control procedures, and the opinion of the Audit Committee on the adequacy of the internal control system in the company:

The Audit Committee recommended to the Board of Directors the appointment of the Chartered Auditor to audit the Company's accounts for the fiscal year 2023 (PricewaterhouseCoopers) in addition to evaluating the internal control system within the scope of reviewing the Company's final financial statements.

The Committee also reviewed the results and interim quarterly financial statements for the year 2023 and approved them according to the authorization of the Board of Directors by its decision No. 05/382 in the Board meeting No. 05/2022/382 dated 11/12/2022, and recommended to the Board of Directors to approve the financial statements of the annual final accounts and review the compliance. In disclosures in financial statements, changes in accounting policies, significant and unforeseen events, verification of accounting estimates in material matters as well as compliance with accounting standards and other legal requirements. During the fiscal year 2023, the Committee also studied the company's internal and financial control systems and their effectiveness through internal audit reports and observations contained in the risk register, in addition to the observations of the company's external auditor and emphasized the development of appropriate plans to address the observations.

The Committee confirms that it holds periodic meetings with the External Auditor of the Accounts and the Internal Audit Division (including the consultant appointed to carry out the internal audit work) as well as the executive management in order to discuss all issues and observations raised by the external auditor or internal audit, and to work to implement the recommendations issued in this regard and follow them up with the executive management periodically to ensure the implementation of the plans set to correct any observations and to submit to the Board any recommendations or issues it deems necessary to take note of them. During 2023, the Board of Directors issued decisions and directives related to improving the quality of internal control systems and increasing their effectiveness and following up on their implementation with the executive management, including developing and updating policies and reviewing them periodically, appointing specialized consultants to identify weaknesses, address gaps, and work to improve control controls and the integration of financial and technical systems.

Recommendation of the Audit Committee on the need to appoint an internal auditor in the Company:

The company has an internal audit division in addition to hiring an internal audit company to assist the internal audit division in preparing the annual audit plan and carrying out a number of audits on the company's various divisions.

The recommendations of the Audit Committee that conflict with the decisions of the Board of Directors, or which the Board refused to take into account regarding the appointment of the Company's auditor, his dismissal, determination of his fees, evaluation of his performance or the appointment of the internal auditor, the justifications for such recommendations, and the reasons for not taking them into account:

There are no recommendations of the Audit Committee that contradict the decisions of the Board of Directors or the Board's refusal to take them into account regarding the appointment of the Company's auditor, determining his fees, evaluating his performance, or appointing the internal auditor, nor did the Committee make any recommendations regarding the dismissal of the Company's auditor.

Difference from accounting standards approved by the Saudi Organization for Certified Public Accountants:

There is no difference from the accounting standards approved by the Saudi Organization for Certified Public Accountants.

Information relating to any business or contracts to which the Company is a party, or in which there is an interest for one of the Company's board members, senior executives or any person related to any of them, including the names of those concerned with the works or contracts, the nature, conditions, duration and amount of such works or contracts, and if there are no such works or contracts:

GASCO's corporate governance policy outlines the system of dealing with related parties where any transactions or contracts in which there are conflicts of interest are disclosed to any of the members of the Board of Directors or the executive management and shareholders.

Transactions with related parties are limited to the following (In Saudi Riyal):

Company Names	Nature of the transaction	31 December 2023		December 31, 2022	
		Transaction amount	Balance (Credit) / Debit	Transaction amount	Balance (Credit) / Debit
Saudi Gas Cylinder Factory	Associate	65,458,910	(8,850,009)	23,242,264	17,809,484
Solutions Gas Company	Subsidiary	11,973,100	(940,125)	21,827,633	4,245,628
National Supply Company	Subsidiary	--	20,000	--	--
Best Distributor Company	Subsidiary	--	(25,000,000)	--	--
National Carrier Company	Subsidiary	18,219,802	(29,532,689)	--	--

Information related to any loans owed by the Company (whether repayable on demand or otherwise), the statement of the total indebtedness of the Company and its subsidiaries, any amounts paid by the Company in repayment of loans during the year, the amount of the principal of the loan, the name and duration of the donor and the remaining amount (In Saudi Riyal):

Company/ Subsidiary Name	Name of the lender	Principal amount	Loan Term	Loan balance at the beginning of the year	Amount received during the year (in thousand riyals)	Amount paid during the year	Loan balance at the end of the year
National Gas and Industrialization Company	Saudi Industrial Development Fund	203,000	6 Years	76,000		(23,000)	53,000
Saudi Gas Cylinder Factory (ownership 37.57%).	There isn't any	-	-			-	-
Natural Gas Distribution (Ownership percentage 35%).	Saudi Industrial Development Fund	20,500	5 Years	8,709	0	(9)	8,700
East Gas (Ownership percentage 35%).	There isn't any	-	-			-	-
National Industrial Gases Company (9% ownership)	Saudi Industrial Development Fund	651,000	8 Years	578,439		(196,439)	409,000
	Commercial Bank	318,750	10 Years	316,835	0	0	316,835
United Arab Float Glass Company (ownership 11.01%)	Saudi Industrial Development Fund	247,340	15 Years	106,840	-	(66,840)	40,000
	Commercial Banks	42,000	5 Years	90,285		(12,496)	77,789

Categories and numbers of any convertible debt instruments and any contractual securities, rights memoranda or similar rights issued or granted by the Company during the financial year, with an explanation of any compensation received by the Company in return:

There are no denominations and numbers of any convertible debt instruments and any contractual securities, rights memoranda or similar rights issued or granted by the Company during the financial year or any compensation received by the Company in return.

Any conversion rights or subscriptions under convertible debt instruments, contractual securities, rights memorandums, or similar rights issued or granted by the Company:

There are no transfer rights or subscriptions under convertible debt instruments, contractual securities, right memoranda, or similar rights issued or granted by the Company.

Any redemption, purchase, or cancellation by the Company of any recoverable debt instruments and the value of the remaining securities, distinguishing between listed securities purchased by the Company and those purchased by its subsidiaries:

There is no redemption, purchase, or cancellation by the Company of any redeemable debt instruments, and the value of the remaining securities.