

# 05

## Governance

|   |     |
|---|-----|
| Corporate Governance Overview                           | 140 |
| Board of Directors                                      | 144 |
| Board Committees  | 150 |
| Board And Executive Management Profile                  | 156 |
| Shareholder Matters, Ownership & Dividend Policy        | 172 |
| Remuneration Disclosures and Related Party Transactions | 176 |
| Declarations Of the Board of Directors                  | 186 |



# Corporate Governance Overview

Riyadh Cement Company (“RCC”) operates under a robust governance framework designed to meet the requirements of the Saudi Capital Market Authority (CMA) and the Saudi Exchange (Tadawul). The Board maintains clear oversight of strategy, performance, risk, and control, delegating detailed oversight to its standing committees while retaining full accountability. In 2025 the Company strengthened transparency through continuous regulatory disclosures and shareholder communications aligned to Main Market standards, including Ordinary General Assembly outcomes, the constitution

of the Board and its committees for the 2025–2028 term, and the Board’s decision to distribute an interim cash dividend for H1-2025.

RCC embeds integrity and compliance through documented policies and secure reporting channels. The whistleblowing program accessible through designated, confidential channels, protects confidentiality and enables escalation to the Audit Committee when appropriate.

Capital allocation is guided by a Board-approved dividend policy aimed at reliable, disciplined distributions. In 2025 the Board, under OGA authorization, adopted a semi-annual cadence and declared an interim cash dividend for H1-2025.

## Compliance Statement and Corporate Governance Framework

### Compliance Statement

RCC confirms that all mandatory provisions of the Corporate Governance Regulations issued by the CMA have been applied. RCC is committed to applying the highest standards and leading professional practices in corporate governance and to fostering a culture of compliance grounded in integrity and honesty across all of its professional activities. The Company focuses on embedding disclosure and transparency in all events and activities across its core business segments. RCC also affirms its constant commitment to all laws, regulations, and directives issued by the competent authorities relevant to the Company’s business and activities, thereby safeguarding its reputation and credibility and strengthening shareholder confidence in its successful approach; fully aligned with the standards of efficiency, quality, and excellence. This Corporate Governance Report has been prepared and published in accordance with the Corporate Governance Regulations issued by the Capital Market Authority, as amended.

### Corporate Governance Framework

- ◆ **Board of Directors**  
 Provides strategic leadership and oversight of performance, risk, and internal control.
- ◆ **Audit Committee**  
 Oversees financial reporting integrity, risk assessment, internal control, and the internal audit function, receiving all Internal Audit reports and escalating outcomes to the Board.
- ◆ **Nomination & Remuneration Committee**  
 Manages Board/Executive nominations, succession, and remuneration; also oversees corporate governance procedures and CGR compliance.
- ◆ **Whistleblowing & Stakeholder Channels**  
 Confidential portal/email for reporting; IR contact for investors.
- ◆ **Dividend Policy**  
 Semi-annual distribution model, subject to OGA authorization and prudent capital stewardship



# Disclosure According to Regulations

All mandatory provisions of the Corporate Governance Regulations have been implemented.

| Article No.                | 28   | 39                                       | 41   | 54(B)  | 70   | 71  | 72                              | 76                                   | 77                                   | 88                                   | 89 (3)                               | 95                                   |
|----------------------------|--|--|--|--|--|---|---------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|
| Article / Clause           | Board composition / independence parameters (advisory elements)                    | Board evaluation (advisory)              | Board responsibilities (advisory sub-clauses)                                  | Audit Committee – specific sub-clause                          | NRC formation/ mandate details             | NRC responsibilities  | NRC meetings                    | Stakeholder / disclosure provisions  | Stakeholder / disclosure provisions  | Disclosure & transparency provisions | Disclosure detail (sub-article)      | Governance reporting provisions      |
| Reason for Non-Application | Advisory; applied when/ if mandatory or appropriate to RCC's scale and operations. | Advisory; to be implemented if mandated. | Advisory; current charters address mandatory items; enhancements under review. | Advisory; duties performed; enhancements considered as needed. | Advisory; covered by existing NRC charter. | Advisory; responsibilities performed under current charter. | Advisory; cadence set by Board. | Advisory; applied where practicable. | Advisory; applied where practicable. | Advisory; applied where practicable. | Advisory; applied where practicable. | Advisory; applied where practicable. |

## Note

The Audit Committee continues to study and assess risk matters; the Board has not formed a separate Risk Committee as the relevant CGR provisions remain advisory. Internal Audit reports are presented to the Audit Committee and its Chairman; overall outcomes are submitted to the Board.

# BOARD OF DIRECTORS

## To ensure directors

especially Non-Executives, are fully apprised of shareholder perspectives, the Company operates a structured investor-communications. Shareholder inquiries, proposals, and complaints are captured through the IR mailbox and web portal; AGM notices, results, and dividend timetables are posted on the Company website and the Saudi Exchange (Tadawul). A confidential whistleblowing channel complements these touchpoints and is available to all stakeholders.

Information gathered is consolidated into periodic Board reports circulated ahead of each meeting and, when material, on an ad-hoc basis highlighting themes, volumes, and resolution status. The Chairman, Committee Chairs, and Non-Executive Directors receive concise dashboards covering market disclosures, analyst feedback, and shareholder engagement metrics, enabling independent challenge and timely follow-up with management.

## Board Composition

Chairman of the Board



Mr. Salah bin Rashed Al Rashed  
Chairman of the Board  
Non-Executive

Vice Chairman



Eng. Khaled bin Abdullah Al Molhem  
Vice Chairman  
Non-Executive

Board Member



Dr. Fahd Saleh Hamad Al-Humaidah  
Board Member  
Independent



Mr. Fahad bin Hizam Al Nabit  
Board Member  
Non-Executive



Mr. Abdullah bin Ateeq Al Fawaz  
Board Member  
Independent



Eng. Mohammed bin Khalifa Al Mulhem  
Board Member  
Independent



Dr. Nasser bin Fadl Aqeel  
Board Member  
Non-Executive

# Meetings of the Board of Directors

The Board of Directors held 5 meetings during 2025, and attendance was as follows

| Name                                | 1st Meeting<br>21/01/2025<br>(Minutes No. 116) | 2nd Meeting<br>17/04/2025<br>(Minutes No. 117) | 3rd Meeting<br>05/08/2025<br>(Minutes No. 118) | 4th Meeting<br>22/10/2025<br>(Minutes No. 119) | 5th Meeting<br>15/12/2025<br>(Minutes No. 120) | Attendance<br>Rate |
|-------------------------------------|--|--|--|--|--|--------------------|
| Mr. Salah bin Rashed Al-Rashed      | Present  | Present  | Present  | Present  | Present  | %100               |
| Eng. Khaled bin Abdullah Al-Molhem  | Present  | Present  | Present  | Present  | Present  | %100               |
| Dr. Nasser bin Fadl Aqeel           | Present  | Present  | Present  | Present  | Present  | %100               |
| Eng. Mohammed bin Khalifa Al-Mulhem | Present  | Present  | Present  | Present  | Present  | %100               |
| Mr. Abdullah bin Ateeq Al-Fawaz     | Present  | Present  | Present  | Present  | Present  | %100               |
| Mr. Fahad bin Hizam Al-Nabit        | Present  | Present  | Present  | Present  | Present  | %100               |
| Dr. Fahd Saleh Hamad Al-Humaidah    | —  | —  | Present  | Present  | Present  | %100               |
| Eng. Shoeil Jarallah Al Ayed        | Present  | Present  | —  | —  | —  | %100               |



# General Assemblies of Shareholders

| Name                                | Position (at OGA date 17/04/2025)      | Ordinary General Assembly Meeting 17/04/2025 | Ordinary General Assembly Meeting |
|-------------------------------------|--|--|-----------------------------------|
| Mr. Salah bin Rashed Al-Rashed      | Chairman of the Board                  | Attended                                     | —                                 |
| Eng. Khaled bin Abdullah Al-Molhem  | Vice Chairman                          | Did not attend                               | —                                 |
| Dr. Nasser bin Fadl Aqeel           | Board Member                           | Attended                                     | —                                 |
| Mr. Fahad bin Hizam Al-Nabit        | Board Member; NRC Chairman             | Attended                                     | —                                 |
| Eng. Mohammed bin Khalifa Al-Mulhem | Board Member                           | Attended                                     | —                                 |
| Mr. Abdullah bin Ateeq Al-Fawaz     | Board Member; Audit Committee Chairman | Attended                                     | —                                 |
| Eng. Shoeil Jarallah Al Ayed        | CEO                                    | Attended                                     | —                                 |

## Note:

Meeting held via modern technology; shareholders' attendance 63.59%.

Election of Board members for the new term 15/06/2025-14/06/2028

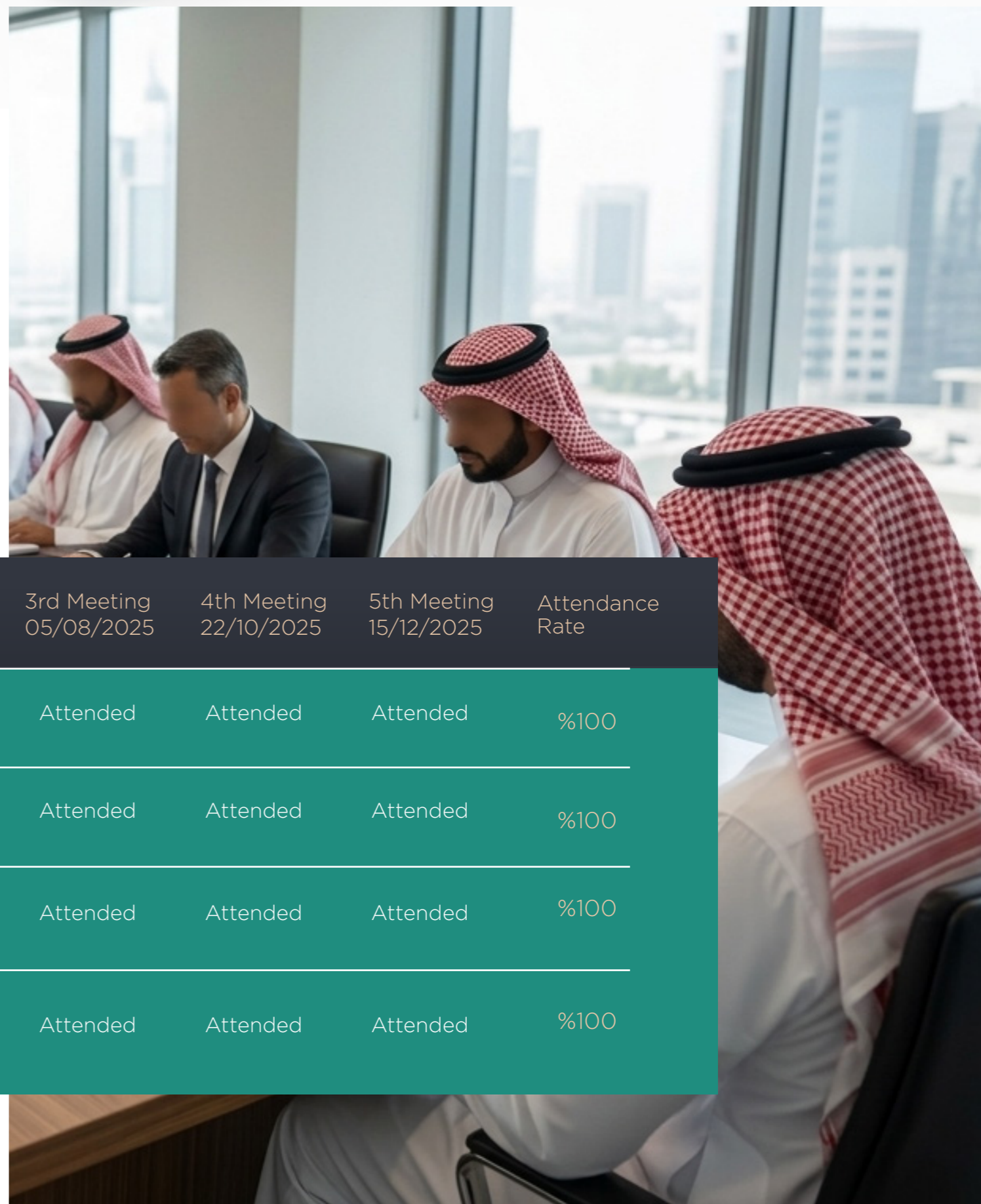
- 01 Salah Rashed Al-Rashed
- 02 Eng. Khalid Abdullah Al-Mulhem
- 03 Dr. Naser Fadl Aqeel
- 04 Mr. Fahd Hizam Al-Nabit
- 05 Mr. Abdullah Ateeq Al-Fawaz
- 06 Eng. Mohammad Khalifa Al-Mulhem
- 07 Fahad Al-Humaidah

# BOARD COMMITTEES

## Audit Committee

### Meetings

During financial year 2025, the Audit Committee held five duly convened meetings. All members attended each meeting



| Name                             | Position                              | 1st Meeting<br>21/01/2025 | 2nd Meeting<br>17/04/2025 | 3rd Meeting<br>05/08/2025 | 4th Meeting<br>22/10/2025 | 5th Meeting<br>15/12/2025 | Attendance<br>Rate |
|----------------------------------|---------------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|--------------------|
| Dr. Fahd Saleh Hamad Al-Humaidah | Board Member<br>(Independent)         | Attended                  | Attended                  | Attended                  | Attended                  | Attended                  | %100               |
| Dr. Abdullah Saghir Al-Husseini  | Member (from<br>outside the<br>Board) | Attended                  | Attended                  | Attended                  | Attended                  | Attended                  | %100               |
| Mr. Mohammed Abdulaziz Al-Shaya  | Member (from<br>outside the<br>Board) | Attended                  | Attended                  | Attended                  | Attended                  | Attended                  | %100               |
| Mr. Abdullah bin Ateeq Al-Fawaz  | Board Member<br>(Independent)         | Attended                  | Attended                  | Attended                  | Attended                  | Attended                  | %100               |

## Mandate and scope

Under its Board-approved charter and in alignment with CMA CGR, the Committee oversees: (i) the preparation and fair presentation of interim/annual Financial Review; (ii) effectiveness of ICFR and Internal Audit coverage; (iii) independence, qualifications, performance and fees of the external auditor; and (iv) significant policies, estimates, judgments and any unusual transactions. It monitors management's responses and the timely closure of audit observations.

The Audit Committee is responsible for overseeing the company's activities and ensuring the accuracy and integrity of its financial reports, Financial Review, and internal control systems. The key duties and responsibilities are summarized as follows:

## Results of the annual review of the effectiveness of the Company's internal control procedures, and the Audit Committee's opinion on the adequacy of the Company's internal control system:

### Audit Committee's opinion on the adequacy of the Company's internal control system:

The Company's Internal Audit Department carries out continuous operational audit activities to verify the effectiveness and efficiency of the internal control system and procedures in safeguarding the Company's assets, assessing the risks of the Company's internal control framework, and submitting any recommendations to the Board of Directors that would enhance the system in a manner that achieves a positive impact for the Company and efficiently protects the interests of the Authority to a high standard.

### Audit Committee's opinion on the adequacy of the Company's internal control system:

Based on the annual audit plan approved by the Audit Committee, the Company's Internal Audit Department conducts periodic review and examination of the Company's departments, including the Company's internal control system. Based on the results of the review and examination procedures performed during the year 2022 and prior years, the Audit Committee's assessment of the Company's internal and financial control systems and controls did not identify any material weakness. The assessment also indicated that the implementation of internal control procedures is operating effectively. On the other hand, the external auditor typically performs an evaluation of the internal control system as part of the audit of the Company's annual Financial Review, and the Company enables the external auditor to review all documents, systems, policies, procedures, Audit Committee meeting minutes, and Internal Audit Department reports for the period / financial year under examination.

Recommendations of the Audit Committee that conflict with Board of Directors' resolutions, or that the Board declined to adopt, regarding the appointment of the Company's external auditor and determination of the auditor's fees and performance evaluation, or the appointment of the internal auditor, together with the justifications for such recommendations and the reasons for not adopting them.

There is no conflict between the Audit Committee's recommendations and the Board of Directors' resolutions, and the Board of Directors has not declined to adopt the Audit Committee's recommendations regarding the appointment or dismissal of the Company's external auditor, the determination of the auditor's fees and performance evaluation, or the appointment of the internal auditor.



## Composition and independence

Audit Committee comprised three members with relevant financial expertise: Dr. Fahd S. H. Al-Humaidah (Independent Board member) and Dr. Abdullah S. Al-Husseini & Mr. Mohammed A. Al-Shaya (both from outside the Board).

## Working practices & key matters

Agendas and pre-reads (management reports, IA deliverables, draft FS, auditor materials) were circulated in advance; an action tracker monitored open items to closure; closed sessions with the external auditor were held where appropriate. Key work covered interim/annual FS reviews, IA plan & coverage, follow-up on ICFR observations, and RPT/compliance topics.

## Nomination & Remuneration Committee NRC

### Meetings

The NRC held two duly convened meetings during 2025. All members attended each meeting

| Name                                |  | Meeting 1 2025 | Meeting 2 2025 | Attendance |
|-------------------------------------|--|----------------|----------------|------------|
| Eng. Mohammed bin Khalifa Al-Mulhem | Committee Chairman (Independent – Board) | —              | Attended       | %100       |
| Mr. Salah bin Rashed Al-Rashed      | Member (Non-Executive – Board)           | Attended       | Attended       | %100       |
| Eng. Khaled bin Abdullah Al-Melhem  | Member (Non-Executive – Board)           | Attended       | Attended       | %100       |
| Mr. Fahad bin Hizam Al-Nabit        | Member (Non-Executive – Board)           | Attended       | —              | %100       |

### Mandate and scope

The NRC supports the Board on nominations (Board/Senior Management), succession for critical roles, remuneration philosophy/policy & disclosure for Directors/Committees/Senior Executives, and periodic assessments of Board & executive effectiveness, independence, and skills mix in line with strategy and regulations.

### The most important duties and responsibilities are summarized as follows:

- Recommending to the Board of Directors nominations for membership of the Board.
- Reviewing the structure of the Board of Directors and conducting an annual review of members' capabilities and qualifications, and submitting recommendations on changes that may be made.
- Establishing clear policies for the remuneration of Board members and senior executives based on performance-linked criteria.
- Ensuring the independence of independent members and the absence of conflicts of interest.
- Preparing the remuneration policy for the Board committees and executive management and submitting it to the Board of Directors.

### Remuneration policy and the relationship between remuneration granted and the remuneration policy in force:

- An amount of 300,000 Saudi riyals is granted annually to each Board member, and executive management is granted annual bonuses commensurate with the effort exerted and the extent of commitment to achieving the Company's objectives, after approval by the Board of Directors.
- Remuneration was granted in accordance with the mechanism in force, and there were no material deviations from this mechanism.

### Note

In 2025, Mr. Mohammed bin Khalifa Al-Mulhem was appointed NRC Chairman in place of Mr. Fahad bin Hizam Al-Nabit.



# BOARD AND EXECUTIVE MANAGEMENT PROFILE

## Composition & Committee Memberships (2025–2028 Term)

| Name                                | Role          | Classification | Committee Memberships                          |
|-------------------------------------|---------------|----------------|--|
| Mr. Salah bin Rashed Al-Rashed      | Chairman      | Non-Executive  | Nomination & Remuneration Committee – Member   |
| Eng. Khaled bin Abdullah Al-Molhem  | Vice Chairman | Non-Executive  | Nomination & Remuneration Committee – Member   |
| Dr. Nasser bin Fadl Aqeel           | Board Member  | Non-Executive  | —  |
| Eng. Mohammed bin Khalifa Al-Mulhem | Board Member  | Independent    | Nomination & Remuneration Committee – Chairman |
| Mr. Abdullah bin Ateeq Al-Fawaz     | Board Member  | Independent    | —  |
| Mr. Fahad bin Hizam Al-Nabit        | Board Member  | Non-Executive  | —  |
| Dr. Fahd Saleh Hamad Al-Humaidah    | Board Member  | Independent    | Audit Committee – Chairman                     |

### Committee members (non-directors)

01

Dr. Abdullah Saghir Al-Husseini  
Audit Committee Member (external)

02

Mohammed Abdulaziz Al-Shaya  
Audit Committee Member (external)



Mr. Salah bin Rashed Al-Rashed

Chairman (Non-Executive) and Nomination & Remuneration Committee Member

### Academic qualifications

- ✓ Bachelor's in Civil Engineering, University of Washington, USA (1977).

### Professional experience

- ✓ General Manager, Rashid Al Abdulrahman Al-Rashed & Sons Company (1977-present).
- ✓ Chairman, Board of Directors, Riyadh Cement Company (2016-present)

### Memberships in other boards

- ✓ Chairman: Arab National Bank (2017-present); Technical Investments Co. (2016-present); Al-Rashed A. Betong Co. (2015-present); Trade & Contracting Co. (2016-present); Golden Chicken Farms Co. (2013-present); Saudi Electrical Business Services Co. (2013-present); Care & Medical Sciences Co. (2015-present); Al-Rashed & Al-Omran Co. (1970-present).
- ✓ Board Member: Gulf Applications Co. (2007-present); Imdad Solutions for Information Technology (2014-present); Al-Yamama Medical Co. (2010-present); Al-Malz Financial Co. (2008-present).



Eng. Khaled bin Abdullah Al-Melhem

Vice Chairman (Non-Executive) and Nomination & Remuneration Committee Member

### Academic qualifications

- ✓ B.Sc. in Engineering Management, University of Evansville, USA (1981).
- ✓ B.Sc. in Electrical Engineering, University of Evansville, USA (1981).

### Professional experience

- ✓ Vice Chairman, Board of Directors, Riyadh Cement Company (2016-present).
- ✓ General Manager, Saudi Arabian Airlines (2006-2014).
- ✓ Chief Executive Officer, Saudi Telecom Company (2001-2006).
- ✓ Vice President of Finance, Saudi Telecom Company (1998-2001).
- ✓ Chief Executive Officer, Almarai Dairy Company (1997-1998).
- ✓ Various senior positions, Saudi British Bank (SABB): Senior Manager – Retail Banking; Executive Director – Investment Banking; Regional Manager; Executive Director – Investment (1989-1997).
- ✓ Head of Task Force, Saudi Industrial Development Fund (1983-1989).
- ✓ Engineer, King Abdulaziz Airbase – Royal Saudi Air Force (1981-1983).

### Memberships in other boards

- ✓ Board Member: MBC Group; Kadana Development and Real Estate; Al-Aqeer Development Co.; Al-Awwal Investment Co.



Mr. Fahad bin Hizam Al-Nabit

Board Member (Non-Executive)

### Academic qualifications

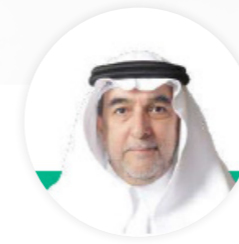
- ✓ Bachelor's in Law, King Saud University, Saudi Arabia (1992).

### Professional experience

- ✓ General Manager: Heritage Buildings Company (2018-present); National Food Investment Company (1998-present); Mawarid Holding Company (1997-present).

### Memberships in other boards

- ✓ None disclosed.



Dr. Nasser bin Fadl Aqeel

Board Member (Non-Executive)

### Academic qualifications

- ✓ Ph.D., Civil Engineering, University of Colorado Boulder, USA (1989).
- ✓ M.Sc., Civil Engineering - Construction Engineering & Management, University of Colorado Boulder, USA (1985).
- ✓ B.Sc., Civil Engineering - Construction Engineering & Management, King Saud University, Saudi Arabia (1981).

### Professional experience

- ✓ CEO, Riyadh Cement Company (1997-2016).
- ✓ General Manager, Riyadh Cement Company (2006-2011).
- ✓ Coordinator, Engineering Management Sector & Member, Training Board, Institute of Public Administration (1989-1995).
- ✓ Graduate Researcher, University of Colorado Boulder (1987-1989).
- ✓ Teaching Assistant, University of Colorado Boulder (1981-1982)

### Memberships in other boards

- ✓ Chairman, Board of TOWA Development Company (to present)



Mr. Abdullah bin Ateeq Al-Fawaz

Board Member (Independent)

### Academic qualifications

- ✓ Master's in Law, Indiana University (1988).
- ✓ Bachelor's in Law, King Saud University (1985).

### Professional experience

- ✓ Legal Advisor, Expert Committee of the Council of Ministers (1988–2016).

### Memberships in other boards

- ✓ Chairman, Board of Directors, Faza Industrial Company.



Eng. Mohammed bin Khalifa Al-Melhem

Board Member (Independent) and Nomination & Remuneration Committee Chairman

### Academic qualifications

- ✓ Master's in Banking & Finance, Queen Mary University of London (2011).
- ✓ Bachelor's in Civil Engineering, Concordia University (2014).

### Professional experience

- ✓ Civil Engineer, Aramco (2014–2017).
- ✓ Business Development Manager, Modular Concrete Buildings Systems Company (2017–present).

### Memberships in other boards (independent, personal capacity)

- ✓ Al-Etefaq Steel Company; Advanced Petrochemical Company; Al-Jazeera Support Services Company.



### Dr. Fahad Saleh Hamad Al-Humaidah

Board Member (Independent) and Audit Committee Chairman

#### Academic qualifications

- ✓ PhD in Financial Markets, University of Reading, United Kingdom (2015).
- ✓ Master's in Investment Management, University of London, United Kingdom (2005).
- ✓ Bachelor's in Financial Sciences, King Fahd University of Petroleum & Minerals, Kingdom of Saudi Arabia (2003)

#### Professional Experience

- ✓ Deputy Minister of Economy and Planning for Strategic Planning and Institutional Excellence (since May 2023 to date).
- ✓ Senior Advisor to the Minister of Economy and Planning (since November 2022).
- ✓ Advisor to H.E. the Minister of Finance, Director of the Advisory Department, and Head of the Advisory Team to H.E. the Minister of Finance (2017-2022).
- ✓ Held multiple positions at the Saudi Arabian Monetary Authority (SAMA) (now the Saudi Central Bank), including Investment Advisor and Head of Fixed Income and Alternatives (2006-2016).
- ✓ Board Member, Saline Water Conversion Corporation (2003-2004).
- ✓ Teaching Assistant and Assistant Lecturer, King Fahd University of Petroleum & Minerals (2003-2004).

#### Memberships in Other Boards (in a personal and independent capacity)

- ✓ Sustainability Holding Company — Board Member (Independent).
- ✓ National Center for Social Studies and Research — Board Member (Independent).



### Dr. Sultan bin Saad Al-Owais

Secretary of the Board of Directors

#### Academic qualifications

- ✓ Ph.D. in Media (Public Relations), Imam Muhammad bin Saud Islamic University (2025).
- ✓ Master's in Media (Public Relations), IMSIU (2016).
- ✓ Higher Diploma in Business Administration, IMSIU (2012).
- ✓ Bachelor's in Media, King Saud University (2007)

#### Professional Experience

- ✓ Secretary of the Board of Directors, RCC (2023-present).
- ✓ Public Relations Manager, RCC (2023-present)
- ✓ Director of Media Affairs, Riyadh Municipality (2021-2023).
- ✓ Public Relations Manager, Municipal Council (2016-2021).
- ✓ Media Officer, Public Relations Department, Riyadh Municipality (2007-2016).

#### Memberships

- ✓ Board Member, Saudi Public Relations & Advertising Association (2023-present).

## Audit Committee External Members' Profiles



Dr. Abdullah bin Sagheer bin Mohammed Al-Hussaini

Audit Committee Member (external)

### Academic qualifications

- ✓ Ph.D. in Financial Accounting & Auditing, University of Kent (2015).
- ✓ Master's in Accounting, King Saud University (1997).
- ✓ Bachelor's in Accounting, King Abdulaziz University (1995).

### Professional experience

- ✓ Professor of Accounting & Auditing — Dean, Prince Sultan University (2010–present).
- ✓ Financial Management / HR Management (2005–2010).
- ✓ Financial & Administrative Consulting — Zakat and Taxes (2000–2005).
- ✓ Accounting & Auditing roles (1990–2000).
- ✓ Chairman, Board of Directors, Faza Industrial Company (1437–1443 AH).

### Memberships in other boards

- ✓ None disclosed.



Mr. Mohammed bin Abdulaziz bin Abdulrahman Al-Shaya

Audit Committee Member (external)

### Academic qualifications

- ✓ Certified Internal Auditor (CIA), IIA (USA, 2003).
- ✓ SOCPA (Saudi Organization for Certified Public Accountants, 2000).
- ✓ CPA (AICPA, USA, 1999).
- ✓ Bachelor's in Accounting, Imam Muhammad bin Saud Islamic University (1990)
- ✓ Master's in Accounting, University of Illinois (1998).

### Professional experience

- ✓ Chairman of the Board, SAB Takaful.
- ✓ Chief Executive Officer, Medgulf Insurance Company.
- ✓ General Manager, Supervision of Financing Companies, Saudi Central Bank (SAMA).

### Memberships in other boards

- ✓ None disclosed

## Executive Management



Eng. Shoeil Jarallah Al Ayed

Chief Executive Officer

### Academic qualifications

- ✓ Master's in Engineering Management, Florida Institute of Technology (1985).
- ✓ B.Sc. in Physical Engineering, Jacksonville University (1983)
- ✓ B.Sc. in Electrical Engineering, Jacksonville University (1983).

### Professional experience

- ✓ CEO, Riyadh Cement Company (2017-present).
- ✓ CEO, Sabic Steel (2013-2016).
- ✓ Vice President, Southern Cement Company (2010-2013).
- ✓ General Manager, Hif Southern Region (2007-2010).
- ✓ Distribution Engineering Manager, Saudi Electricity Company - Southern Region (2005-2007).
- ✓ Electrical Manager, Saudi Electricity Company - Asir Region (2003-2005).
- ✓ Distribution & Transmission Manager, Saudi Electricity Company - Asir Region (1987-2003).
- ✓ Project Engineer, Saudi Electricity Company (1985-1987).
- ✓ Chairman, National Steel Committee, Council of Saudi Chambers (2014-2016).

### Other affiliations

- ✓ Vice Chairman, First Copper Company (2016-present).
- ✓ Board Member, Rummat Company (2023-present).
- ✓ Board Member, National Company for Metal Recycling (2013-2016).



Mr. Muhannad Muhammad Melhem

Chief Financial Officer

### Academic qualifications

- ✓ Master's in Accounting, Arab Academy for Banking and Financial Sciences University (Jordan, 2006).
- ✓ Bachelor's in Accounting, Al-Zaytoonah University (Jordan, 2003).

### Professional experience

- ✓ Director of Financial Management / CFO, Riyadh Cement Company (2018-present).
- ✓ Financial Manager, Umm Al-Qura Cement Company (2016-2018).
- ✓ Financial Manager, Northern Cement Company (2012-2016)
- ✓ Financial Manager, Fawaz Al-Hokair Company (2008-2012).



## Eng. Girish Kumar

Plant Manager

### Academic qualifications

- ✓ Executive MBA, CMJ University, India.

### Professional experience

- ✓ 28+ years in cement and lime industry.
- ✓ Factory Manager, Riyadh Cement Company (2024-present)
- ✓ Former Head of Manufacturing at multiple global cement companies: ARM Cement; FLSmidth O&M; Kanodia; UltraTech Cement; Lafarge Cement; Ambuja Cement; Andhra Cement; Pioneer Cement; JP Cement.

# Shareholder Matters, Ownership & Dividend Policy

## Board Members' Share Ownership

| Board Member                        | Shares at the beginning of the year 2024 | Shares at the end of the year 2025 | Change (shares) | Percentage |
|-------------------------------------|--|------------------------------------|-----------------|------------|
| Mr. Salah bin Rashid Al-Rashed      | 27,856,198                               | 27,856,198                         | 0               | 0%         |
| Eng. Khaled bin Abdullah Al-Melhem  | 2,275,675                                | 2,275,675                          | 0               | 0%         |
| Dr. Nasser bin Fadl Aqeel           | 2,261,666                                | 3,140,000                          | 878,334         | 38.8%      |
| Eng. Mohammed bin Khalifa Al-Melhem | 25,176                                   | 25,176                             | 0               | 0%         |
| Mr. Abdullah bin Atiq Al-Fawzan     | 1,020,000                                | 1,020,000                          | 0               | 0%         |
| Dr. Fahad Al-Humaidah               | 0  | 0                                  | 0               | 0%         |
| Mr. Fahd bin Hizam Al-Otaibi        | 0  | 0                                  | 0               | 0%         |
| Mr. Eng. Shoeil Jarallah Al Ayed    | 1,080,000                                | 1,081,376                          | 376             | 0.034%     |
| Mr. Mohannad Mohammed Melhem        | 0  | 1510                               | 1510            | 100%       |

Foreign Ownership Levels vs. Limits

49%

Foreign ownership limit  
(per Tadawul/Argaam profile)

5%

Actual foreign ownership at 31 Dec 2025

## Dividend Distribution Policy

The Company's annual net profits, after deducting all general expenses, other costs, and provisions for zakat, are distributed as follows:

- 01** Discretionary reserve (up to 5% of net profit).  
The Ordinary General Assembly (OGA), based on a proposal from the Board of Directors, may allocate 5% of net profits to form a discretionary reserve to be used for purposes decided by the OGA.
- 02** Other reserves (as needed).  
The OGA may also decide to create other reserves in a manner that benefits the Company or ensures the distribution of consistent dividends to shareholders.
- 03** Social/employee institutions.  
The OGA may allocate amounts from net profits to establish social institutions for the Company's employees or to support existing institutions.
- 04** Minimum shareholder dividend (5% of paid-up capital).  
After the allocations above, the remaining profits are first distributed to shareholders at 5% of the Company's paid-up capital.
- 05** Board compensation (10% of the remainder).  
In accordance with Article 19 of the Company's Bylaws and Article 70 of the Companies Law, and after the allocations above, 10% of the remaining amount is dedicated as compensation for Board members; eligibility is proportional to the number of meetings attended by each member.
- 06** Distribution of any further remainder.  
Any remaining profits may then be distributed in any manner decided by the OGA.
- 07** Interim dividends.  
The Company may distribute interim dividends (annual, semi-annual, or quarterly) in accordance with Capital Market Authority guidelines, based on an OGA mandate authorizing the Board of Directors to distribute interim dividends.

## Dividend Distribution Data for Fiscal Year Ending 31 Dec 2025

| Announcement Date | Eligibility Date                     | Distribution Method                | Distribution Date      | Dividend Amount (SAR/share) | Total      |
|-------------------|--------------------------------------|------------------------------------|------------------------|-----------------------------|------------|
| 15-12-2025        | Date of the General Assembly meeting | To be determined later             | To be determined later | 0.60                        | 72,000,000 |
| 5-08-2025         | 08-09-2025                           | Transfer to shareholders' accounts | 18-09-2025             | 1.00                        | 120,000,00 |
| 21-01-2025        | 17-04-2025                           | Transfer to shareholders' accounts | 29-04-2025             | 1.25                        | 150,000,00 |



## Penalties or Violations

No penalties or violations were disclosed for Riyadh Cement Company on the Saudi Exchange website during 2025.

# REMUNERATION DISCLOSURES AND RELATED PARTY TRANSACTIONS

## Remuneration Policy

Riyadh Cement Company maintains a Board-approved compensation policy covering Directors, Board-Committee members, and Senior Executives. The policy is fixed-criteria based and aims to reward service responsibly while meeting the Saudi Companies Law and the CMA Corporate Governance Regulations.

## Policy Implementation Mechanism

### Board of Directors

- Attendance allowances**  
 paid for Board meetings and for committee meetings attended by the Director (including any chair responsibilities). Amounts are set by the Board on NRC recommendation and disclosed in the annual "Statement of Rewards" tables
- Independence safeguard**  
 Independent Directors' compensation is not linked to company profits or profitability measures; it is structured as fixed fees and allowances to preserve objectivity (CGR-consistent).
- Other elements (if applicable)**  
 reasonable expense allowances and in-kind benefits related to official duties; any additional role-based stipends (e.g., Board/Committee chair) must remain within regulatory caps and be disclosed in the tables noted above.

### Board Committees

- Committee service is compensated**  
 via fixed committee fees (ex-attendance) plus meeting attendance allowances; chairs may receive higher fees reflecting added responsibilities. Amounts are approved by the Board following NRC recommendation and disclosed in the committee rewards table.

### Senior Executives

- Pay comprises fixed salary**  
 allowances/benefits, and performance-related elements (periodic/annual bonuses and incentive plans) approved by the Board. The NRC's mandate explicitly includes clear policies for senior-executive compensation based on performance-related criteria and market competitiveness.
- Executives (including the CEO)**  
 receive compensation aligned with effort and the level of commitment to Company goals, per Board approval. No material deviations from the approved mechanism were disclosed in the prior year baseline.

### Governance, approval & disclosure

- NRC prepares and recommends → Board approves → Ordinary General Assembly (OGA) ratifies** where required (e.g., Board bonuses), with per-director and per-committee disclosures in the Annual Report.

### Regulatory compliance & limits

- All remuneration arrangements must comply with CMA Corporate Governance Regulations, Companies Law, and other competent-authority instructions;** totals must remain within regulatory caps and reflect arm's-length principles.

## Board & Committee Remuneration

### Board of Directors

Board members — Fixed remuneration

### Notes:

- ✓ The term of Mr. Abdullah Atiq Al-Fawzan ended on 14-06-2025
- ✓ Dr. Fahad Saleh Hamad Al-Humaidah was appointed on 15-06-2025.
- ✓ Eng. Shuail bin Jarallah Al-Ayedserved as an executive Board member until 14-06-2025

#### Independent Members

|                                     | A Specific Amount (SAR) | Allowance for attending Board meetings (SAR) | Total allowance for attending Committee meetings (SAR) | Non-monetary benefits (SAR) | Reward of the Chairman / Managing Director / Secretary (if any) (SAR) | Total (SAR) |
|-------------------------------------|-------------------------|--|--|-----------------------------|---|-------------|
| Eng. Mohammed bin Khalifa Al-Melhem | 300,000                 | 25,000                                       | —  | —                           | —   | 325,000     |
| Mr. Abdullah bin Ateeq Al-Fawaz     | 300,000                 | 25,000                                       | —  | —                           | —   | 325,000     |
| Dr. Fahd Saleh Hamad Al-Humaidah    | 163,333                 | 15,000                                       | —  | —                           | —   | 178,333     |

#### Non-Executive Members

|                                    | A Specific Amount (SAR) | Allowance for attending Board meetings (SAR) | Total allowance for attending Committee meetings (SAR) | Non-monetary benefits (SAR) | Reward of the Chairman / Managing Director / Secretary (if any) (SAR) | Total (SAR) |
|------------------------------------|-------------------------|--|--|-----------------------------|---|-------------|
| Mr. Salah bin Rashed Al-Rashed     | 300,000                 | 25,000                                       | —  | —                           | —   | 325,000     |
| Eng. Khaled bin Abdullah Al-Melhem | 300,000                 | 25,000                                       | —  | —                           | —   | 325,000     |
| Dr. Nasser bin Fadl Aqeel          | 300,000                 | 25,000                                       | —  | —                           | —   | 325,000     |
| Mr. Fahad bin Hizam Al-Nabit       | 300,000                 | 25,000                                       | —  | —                           | —   | 325,000     |

#### Executive Members

|                              | A Specific Amount (SAR) | Allowance for attending Board meetings (SAR) | Total allowance for attending Committee meetings (SAR) | Non-monetary benefits (SAR) | Reward of the Chairman / Managing Director / Secretary (if any) (SAR) | Total (SAR) |
|------------------------------|-------------------------|--|--|-----------------------------|---|-------------|
| Eng. Shoeil Jarallah Al Ayed | 136,667                 | 10,000                                       | —  | —                           | —   | 146,667     |

## Audit Committee Members

| Member   | Fixed Remuneration (excluding attendance) (SAR) | Attendance Allowance (SAR) | Total (SAR) |
|--|---|----------------------------|-------------|
| Dr. Fahd Saleh Hamad Al-Humaidah — Chairman              | 54,521  | 20,000                     | 74,521      |
| Mr. Abdullah Atiq Al-Fawzan - Member (Independent)       | 45,205  | 20,000                     | 65,205      |
| Dr. Abdullah bin Sagheer Al-Hussaini - Member (external) | 120,000   | 40,000                     | 160,000     |
| Mr. Mohammed bin Abdulaziz Al-Shaya — Member (external)  | 120,000   | 40,000                     | 160,000     |

## Nomination and Remuneration Committee Members

| Member   | Fixed Remuneration (excluding attendance) (SAR) | Attendance Allowance (SAR) | Total (SAR) |
|--|---|----------------------------|-------------|
| Eng. Mohammed bin Khalifa Al-Melhem — Chairman | 50,000  | 10,000                     | 60,000      |
| Mr. Salah bin Rashed Al-Rashed — Member        | 50,000  | 10,000                     | 60,000      |
| Eng. Khaled bin Abdullah Al-Melhem — Member    | 50,000  | 10,000                     | 60,000      |

## Senior Executives (Top Five Including CEO & CFO)

| Component                            | Amount (SAR)     |
|--------------------------------------|------------------|
| Salaries & Compensation              | 4,128,000        |
| Allowances                           | 1,444,800        |
| Allowances                           | 2,296,000        |
| Periodic/Annual Bonuses & Incentives | -                |
| <b>Total</b>                         | <b>7,868,800</b> |

## Related Party Transactions

### Policy & controls

Riyadh Cement Company conducts all dealings with Related Parties on a competitive, arm's-length basis that safeguards shareholder rights. All RPTs are:

- Reviewed by the Audit Committee,
- Approved by the Board
- Submitted to the General Assembly for voting when required (the interested party abstains).
- Disclosures are made on the Saudi Exchange (Tadawul) in line with CMA rules.



## Transactions approved by the Ordinary General Assembly dated 17-04-2025

| Related party                       | Relationship / interested Board member                            | Nature of transaction | Amount (Saudi riyals) | Key terms                   |
|-------------------------------------|---|-----------------------|-----------------------|-----------------------------|
| TOWA Development Company            | A company chaired by Dr. Nasser bin Fadl Aqeel                    | Sale of cement        | 40,876,786            | Prevailing commercial terms |
| Al-Rashed Cement Company            | A company chaired by Mr. Salah bin Rashed Al-Rashed               | Sale of cement        | 129,826,390           | Prevailing commercial terms |
| Precast Building Systems for Cement | A related party linked to Engineer Mohammed bin Khalifa Al-Melhem | Sale of cement        | 505,781               | Prevailing commercial terms |

## Transactions with related parties during the fiscal year 2025

| Related party            | Relationship / interested person                    | Nature of transaction | Period | Amount (Saudi riyals) | Terms (pricing / credit / settlement) |
|--------------------------|---|-----------------------|--------|-----------------------|---------------------------------------|
| TOWA Development Company | A company chaired by Dr. Nasser bin Fadl Aqeel      | Sale of cement        | 2025   | 22,973,528            | Prevailing commercial terms           |
| Al-Rashed Cement Company | A company chaired by Mr. Salah bin Rashed Al-Rashed | Sale of cement        | 2025   | 92,858,395            | Prevailing commercial terms           |

## Shareholder register

| Company Name          | Symbol | Request Date & Time | Announcement Date | Reason            |
|-----------------------|--------|---------------------|-------------------|-------------------|
| Riyadh Cement Company | 3092   | 28/08/2025 09:28    | 10/9/2025         | Dividend File     |
| Riyadh Cement Company | 3092   | 21/04/2025 09:37    | 21/04/2025        | Dividend File     |
| Riyadh Cement Company | 3092   | 17/04/2025 18:15    | 17/04/2025        | General Assembly  |
| Riyadh Cement Company | 3092   | 8/4/2025 9:59       | 8/4/2025          | Corporate Actions |
| Riyadh Cement Company | 3092   | 12/3/2025 12:59     | 2/1/2025          | Other             |
| Riyadh Cement Company | 3092   | 29/01/2025 09:57    | 28/01/2025        | Other             |



# Declarations of the Board of Directors

The Board of Directors declares the following:

- 01** Accounting records have been prepared correctly.
- 02** Internal control system has been designed on sound bases and implemented effectively.
- 03** There is no doubt regarding the Company's ability to continue as a going concern.
- 04** There is no interest in any class of voting shares held by persons who have notified the Company of such rights pursuant to Article (68) of the CMA Rules on the Offer of Securities and Continuing Obligations.
- 05** The Company has not issued or granted during the financial year any classes or amounts of convertible debt instruments, contractual securities, warrants, or similar rights.
- 06** There are no conversion or subscription rights under any convertible debt instruments, contractual securities, warrants, or similar rights issued or granted by the Company.
- 07** The Company has not redeemed, purchased, or cancelled any redeemable debt instruments during the year.
- 08** There are no arrangements or agreements under which any Board member or Senior Executive has waived any remuneration.
- 09** There are no arrangements or agreements under which any shareholder has waived rights to dividends.
- 10** Employee share program (ESOP/RSU)
- 11** Penalties / sanctions / precautionary measures / reserve restrictions: None imposed on the Company in 2025.
- 12** Internal Auditor: There is no recommendation from the Audit Committee to appoint an internal auditor, as the Company already has an Internal Audit function.
- 13** Alignment of Audit Committee and Board: There is no conflict between the Audit Committee's recommendations and Board resolutions, and no AC recommendations were rejected by the Board.
- 14** External auditor's report (FY2025): No qualifications on the annual Financial Review.
- 15** There is no recommendation from the Board to change the external auditor before the end of the appointed term.
- 16** Competing business: No Board member conducts—or has conducted—any business that competes with the Company or any of its business lines
- 17** The Company has no loans as at 31 December 2025.
- 18** There is no departure from the accounting standards issued by the Saudi Organization for Chartered and Professional Accountants.

**19** Measures taken by the Board of Directors to keep its members, in particular the non-executive members, informed of shareholders' proposals and observations regarding the Company and its performance:

The Board of Directors did not receive any observations from shareholders regarding the Company and its performance. It should be noted that all shareholders' inquiries and questions are addressed during General Assembly meetings, and the questions and answers are documented in the General Assembly minutes

**20** Statement of Statutory Payments

|                         | Amount paid | Amount due | Note   |
|-------------------------|-------------|------------|--|
| Value Added Tax (VAT)   | 54,274,498  | 8,566,543  | Value Added Tax for December 2025 was paid in January 2026.  |
| Zakat                   | 13,852,789  | 0          | None   |
| Social Insurance (GOSI) | 5,679,054   | 491,500    | Social insurance for December 2025 was paid in January 2026. |