



**Board of Directors  
Compensation  
Policy**



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Policy Name

Board of Directors Compensation Policy

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Policy Content Owner

Board Secretary

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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 \_\_\_\_\_2026

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Main Policy Statement

Establish a defined framework, scope, and guidelines for provision of compensation paid to the Board of Directors of Aramex PJSC

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Eligibility or Scope

Board of Directors of Aramex PJSC

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## 1. Purpose

- 1.1. The Board of Directors Compensation Policy (this “Policy”) of Aramex PJSC (the “Company” or “Aramex”) comprises a defined framework with scope and guidelines for provision of compensation paid to the Board of Directors (the “Board”). It also defines a competitive compensation package, designed to attract, retain, and motivate individuals, who possess the necessary leadership values, and the requisite skills and experiences (the “Board Members”) to enable the Company’s strategic vision and goals.
- 1.2. The Policy outlines the methodology used to develop the Board Members’ compensation package, in addition to benchmarking the proposed amounts against market standards.
- 1.3. 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.

## 2. Regulatory Guidelines and Applicability

This Policy has been developed in line with the Federal Law No. 32 of 2021 (the “Companies Law”) and applicable resolutions, including the Securities and Commodities Authority’s (SCA) Chairman of the Board of Directors Resolution No. (3/R.M) of 2020, as amended, which outlines the corporate governance guide for Public Joint Stock Companies (the “Governance Guide”). This Policy will only apply to the extent that it does not conflict with the provisions of the Companies Law, Governance Guide, and any other applicable laws or regulations.

## 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 Board Members’ 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 compensation to attract and retain qualified individuals that exemplify the Company values while ensuring no discrimination based on gender, race, ethnicity or religion, and reinforcing the commitment towards diversity, equality and inclusion as outlined in Aramex’s Diversity, Equality, and Inclusion Policy;
- 3.3. **External Equity and Competitiveness:** Offer a compensation package in alignment with the Company’s performance, the current market standards, and tailored to the dedication, qualification and responsibility of the Board Members;



- 3.4. **Balanced and Fair:** Recognize the Board Members' 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 Board Members in order to make decisions in the best interest of the Company;
4. **Scope**  
The Policy applies to all Board Members (Executive/Non-Executive and Independent/Non-Independent) who are serving on the Board and Board Committees.
5. **Board Compensation Benchmarking Process**
- 5.1. As guided by the Board Nomination and Remuneration Committee ("NRC"), the key market practices shall be annually reviewed through the Board compensation benchmarking process to ensure that the Board's compensation 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. When selecting benchmarking peers, the following guidelines shall 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 similar 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 compensation for a specific year and have actually paid compensation to their board members should be included in the peer group.
  - **Regional Differences:** Due to significant differences in board compensation 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 Compensation Structure

- 6.1. The table below summarizes the main pay components of the compensation package for the Board Members:

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

The Board Chairperson's Annual Fixed Remuneration and the Annual Fixed Remuneration of all Board Members combined (excluding Committee Attendance Fees and other expenses) shall hereinafter be referred to as the "Aggregate Annual Fixed Remuneration".

- 6.2. Unless otherwise specified, all the Board Members 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 General Assembly meetings.
- 6.4. Board Members who also sit on Committees, whether as Member or Chairperson, shall receive Committee Attendance Fees based on the number of Committee meetings they attend during the course of the year, in addition to their Annual Fixed Remuneration.
- 6.5. In any case, the Aggregate Annual Fixed Remuneration must not exceed 10% of the net profit for the fiscal year after deducting depreciation and reserves.



- 6.6. If the Aggregate Annual Fixed Remuneration pursuant to this Policy exceeds the 10% net profit cap, the Aggregate Annual Fixed Remuneration shall be reduced on a proportional allocation basis to meet the above-mentioned cap.
- 6.7. As an exception to clause 6.5, and subject to the regulations issued by the SCA in this regard, a Board Member may be paid a lump sum fee not exceeding two hundred thousand dirhams (AED 200,000) at the end of the fiscal year, whenever the Company's Article of Association permits so, and subject to the General Assembly's approval of payment of these fees, in the following cases:
- a. The Company's failure to achieve profits.
  - b. If the Company makes profits and the Board Member's share in those profits is less than two hundred thousand dirhams (AED 200,000), and in this case the proportionally allocated Annual Fixed Remuneration and the fee of AED 200,000 may not be combined.
- 6.8. The Board Members shall not receive any performance-based compensation (such as bonuses, share-related long-term incentive schemes or other forms of variable compensation).
- 6.9. The Board Members may receive additional payments such as compensation for expenses, additional fees, premiums, or a monthly salary, as per the policies recommended by the NRC, approved by the Board, and ratified by the Company's shareholders. This applies if a Board Member serves on a Board Committee, undertakes special tasks, or performs additional work beyond their regular Board duties.
- 6.10. The Annual Fixed Remuneration, Committee Attendance Fees, and reimbursement of expenses shall be earned on an annual basis. The accrued compensation shall be entirely paid in cash without any deferral scheme. No Company equity shall be 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 as per the Company's Board-approved Board of Directors Travel Policy.
- 7.2. Board Members invited by the respective Committees Chairpersons to Committee meetings on which they do not serve 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 Member does not serve for an entire calendar year, the Annual Fixed Remuneration paid to such Board Member shall be prorated for the portion of the period served on the Board.

**9. Compensation Governance**

- 9.1. In proposing compensation to the Board, the NRC will ensure that the proposed amounts are in line with the relevant and applicable laws and regulations, and this Policy.
- 9.2. Based on the proposal of the NRC with respect to the Board compensation, the Board shall make a recommendation to the Company's shareholders for final approval.
- 9.3. This Policy shall remain valid unless changes are approved by the Company's shareholders.

**10. Disclosure of Board Compensation in the Corporate Governance Report**

The Board will ensure that the Company's annual Corporate Governance Report (part of the Integrated Report) provides a comprehensive overview of all payments made by the Company to each Board Member, in accordance with actual templates and standards provided by regulator.