

# Board of Directors Report

Saudi Arabian Mining Company (Ma'aden)  
for the Financial Year 2020

Ma'aden's Board of Directors is pleased to present this Report for the financial year ended in 31 December 2020 to the shareholders' General Assembly.

The Report has been prepared in accordance with the requirements of the Companies Law, the Corporate Governance Regulations, Capital Market Law and the guidance issued by the Board of Directors of the Capital Market Authority.

To ensure full disclosure of these requirements, this Report is based on the regulatory disclosure requirements and the Board of Directors of Ma'aden recommended to the General Assembly to approve this Report.

Ma'aden is also publishing detailed information on the activities and businesses related to its operational and financial performance in its 2020 annual report which contains the annual financial statements for the year ended 31 December 2020, to enhance Ma'aden's communications with its shareholders and other stakeholders.

## 1. Implemented and non-implemented provisions of the Corporate Governance Regulations, and justifications therefor.

The Company is committed to disclose in its Board of Directors' Report the regulatory requirements contained in the Corporate Governance Regulations issued by the Board of Directors of the Capital Market Authority, and fully implement its mandatory provisions. The Board of Directors oversees the Company's compliance with Governance standards and regulations issued by the Capital Market Authority. The Governance and Market Compliance Department, in coordination with the Executive Management and its committees, works to review and update governance policies and practices, with the aim of enhancing integrity, transparency and compliance.

The Board of Directors also entrusted the Audit Committee to include in its review of the internal control system matters relating to Governance, Risks and Compliance, and to present recommendations to the Board. Therefore, the Audit Committee carries out the functions and terms of reference of the Governance and Risk committees, as indicated in its Charter approved by the General Assembly.

## 2. Names, qualifications, and experience of the Board and committee members and Executive Management.

The Board of Directors of the Saudi Arabian Mining company (Ma'aden) consists of 11 members appointed by the General Assembly for a period of three years in accordance with the Company Articles of Association. The fourth term of the Board of Directors ended on the 24<sup>th</sup> of October 2020. Accordingly, the General Assembly appointed the new members of the Board of Directors in its fifth term, which began on the 25<sup>th</sup> of October 2020.

### A. Board of Directors

Name	Term	Current positions	Previous positions	Qualifications	Experience
HE. Yaser bin Othman Al-Rumayyan	Current and Previous	Governor of the Public Investments Fund	CEO of Saudi Fransi Capital	Bachelor's degree in Accounting from King Faisal university in Kingdom of Saudi Arabia. Public Administration Program from Harvard Business School in United States	Held several leadership positions, including Director of Corporate Finance, Capital Market Authority, Head of Securities Listings, Capital Market Authority, Head of International Brokerage, Saudi Hollandi Bank, and the latest was the

Name	Term	Current positions	Previous positions	Qualifications	Experience
					Chief Executive Officer of the Saudi Fransi Capital
Dr. Abdulaziz bin Saleh Al-Jarbou	Current	-	Chairman of the Board of Directors of the Saudi Basic Industries Corporation (SABIC)	Bachelor's and master's degrees and PhD in Chemical Engineering from Colorado School of Mines, USA	He served as a member of the board of directors of several companies including Gulf Chemicals and Industrial Oils Company and Saudi Aramco.
HE. Suliman bin Abdulrahman Al-Gwaiz	Current and Previous	Governor of the General Organization for Social Insurance	Held several leadership positions in the Saudi banking industry	Bachelor's degree in Business Administration from the University of Portland, USA Vocational qualification in Banking Operations Management, Citibank Institute, Greece Vocational qualification in Corporate Financial Management, Citibank Institute, USA	Held several leadership positions in the Saudi banking industry 1981-2013
HE. Eng. Khalid bin Saleh Al-Mudaifer	Current and Previous	Deputy Minister of Industry and Mineral Resources for Mining Affairs	President and CEO Ma'aden	Bachelor's degree in Civil Engineering, MBA, King Fahad University of Petroleum and Minerals, KSA International Business Diploma from Oxford University	Held several leadership positions in Ma'aden, including Vice President of Industrial Affairs (2006), Vice President of Phosphate and New Business Development SBU until 2011 and then President and CEO (2011-2018).
Dr. Mohammed bin Yahya Al-Qahtani	Current	Senior Vice President of Refining Processing and Marketing - Saudi Aramco	Senior Vice President for Exploration and Production – Saudi Aramco	Bachelor's degree in Petroleum Engineering from King Fahd University for Petroleum and Minerals. Master's degree in Petroleum Engineering from University of Southern California.	Held several leadership positions in Saudi Aramco the most important of which is a Vice President of Petroleum Engineering and Development (2011), Vice President for Saudi Aramco affairs (2013), and the Vice President for Institutional Planning (2014)

Name	Term	Current positions	Previous positions	Qualifications	Experience
				PhD in Petroleum Engineering from the University of Southern California. A leadership program in Executive development from IMD.	
Mr. Richard O'Brien	Current and Previous	Consultant	CFO and CEO - Newmont Mining	Bachelor's degree in Economics, University of Chicago, USA Juris Doctor in Law, Lewis and Clark Law School, USA	Held several leadership positions in Newmont and PacificCorp, including COO and CFO (1984 – 2000)
Dr. Samuel Walsh	Current	-	CEO – Rio Tinto Group.	Bachelor's degree in Commerce from the University of Mlyn. Fellowship Program in Business Administration from the University of Kettering. Honorary Doctor of Commerce from Edith University. Honorary Doctor of Commerce from Western University Australia.	Held several positions, the most important of which was being President, CEO of Rio Tinto Iron Ore and CEO of Rio Tinto ammonium.
Dr. Ganesh Kishore	Current	Director - MLS Capital Fund II Director - Sprouse Capital Partner	CEO - Pearl and Associates	PhD in Biochemistry from the University of Texas. Postdoctoral Fellowship in Microbiology from Indian Institute of Sciences.	Held several positions, including Senior Officer of Technology in AG Nutrition as a Senior Officer of Technology. He was the h, Head of biotechnology in Dupont Corporation, senior Biotechnology Expert in the nutrition and consumer sector in Monsanto
Mr. Abdullah bin Saleh bin Jum'ah*	Current and Previous	-	Board member and CEO of Saudi Aramco	Bachelor's degree in Political Science from the American University in Cairo and Beirut.	Held several leadership positions in Saudi Aramco, including Head of

Name	Term	Current positions	Previous positions	Qualifications	Experience
				Business Administration Program from Harvard University.	Industrial Relations, and Executive Vice President
Eng. Nabila bint Mohammed Al-Tunisi	Current	Executive Director of Programs Department - Royal Court	Executive Director of the Energy and Water Department at NEOM	Bachelor's degree in Electrical Engineering from Portland University. Master's degree in Computer Engineering from the University of Origen	Held several positions in Saudi Aramco, including Chief Engineer of Engineering Sector (2015 to 2018), Director of Project Management (2009 to 2018).
Eng. Mosaed bin Sulaiman Al Ohali**	Current and Previous	CEO of Ma'aden	Senior Executive Consultant - the Company Saudi Basic Industries Corporation SABIC	Bachelor's degree in Chemical Engineering from King Fahd University Petroleum and Minerals. Master's degree in Chemical Engineering from King Fahd University Petroleum and Minerals. Harvard Business School's Advanced Management Program.	Held several leadership positions in the Saudi Basic Industries Corporation (SABIC), the most recent was Senior Advisor Executive, Executive Vice President of Finance.
HE. Eng. Abdallah bin Ibrahim Al-Saadon	Previous	President of the Royal Commission for Jubail and Yanbu	Senior Vice President for Finance, Strategy and Development -Saudi Aramco	Bachelor's degree in Chemical Engineering, King Fahd University of Petroleum and Minerals, KSA Master's degree in chemical Engineering, University of Louisiana, USA MBA from the Massachusetts Institute of Technology (MIT), USA	Held several leaderships positions in Saudi Aramco, including Senior Vice President for Finance, Strategy and Development.
Dr. Klaus Kleinfeld	Previous	Advisor to the Chairman of the Board of Directors, NEOM	CEO of NEOM	MBA, University of Göttingen, Germany PhD in Strategic Management, University of Würzburg, Germany	CEO and Chairman, Arconic (2016 – 2017) held several positions at Alcoa and lastly, Chairman and CEO of Alcoa (2008-2016).



Name	Term	Current positions	Previous positions	Qualifications	Experience
					Furthermore, longstanding career at Siemens with several leadership positions, e.g. CEO Siemens AG.
Eng. Abdullah bin Mohammed Al-Issa	Previous	CEO of Asilah Investment Company	CEO of MASIC holding Company	Bachelor's in degree Industrial Engineering Master's degree in Engineering Management from Southern Methodist University, USA	Chairman, Abdullah Bin Mohammed Al Issa Consulting Engineers since 1981
Ms. Lubna bint Suliman Al-Olayan	Previous	Vice Chairperson of Olayan Finance Company	CEO of Olayan Finance Company	Bachelor's degree in Science, Cornell University, USA MBA, Indiana University, USA	Assistant to Chairperson, Olayan Finance Company Financial analyst, JPMorgan Group

\* Appointed as an independent member of the Board of Directors for the previous session on January 9, 2020.

\*\* Appointed as an Executive member of the Board of Directors for the previous session on April 1, 2020.

## B. Audit Committee members who are not Board members

Name	Term	Current positions	Previous positions	Qualifications	Experience
Mr. Waleed bin Ibrahim Shukri	Current and previous	Board member of SEC, Kanoo Group and SALIC	Managing Partner at PWC Saudi Arabia	Bachelor's degree in Industrial Management, King Fahd University of Petroleum and Minerals, KSA. Professional certificate of Accounting and Auditing, Certified Public Accounts Association of the USA (CPA) Professional certificate of Accounting and Auditing, Saudi Organization for Certified Public Accountants (SOCPA).	Board member: Aurecon Australia, MATBULI Group and Al Hukair

Mr. Mike Chang	Current	Head of the Internal Audit Division - PIF.	Head of Risk and Compliance at Prudential Indonesia, Chief Internal Auditor Prudential Asia.	Bachelor's degree in Aeronautical Systems Engineering from University of Southampton. Professional qualification on Legal accounting from The Institute of Chartered Accountants at England and Wales and Hong Kong Institute of Accountants Legal Accredited.	Held several leadership positions in financial services industry including CIA for Prudential Asia, Managing Director and the Head of Audit for Barclays Bank Asia, and Audit Director for Deutsche Bank Europe
Eng. Khalid bin Hamad Alsenani	Previous	Consultant	Several administrative and engineering positions, the last of which was consultant and supervisor of gas supply and pricing, Ministry of Energy, Industry and Mineral Resources	Bachelor's degree in Civil Engineering, St Martin College, UK Master of Civil Engineering, University of Colorado, USA	Held several positions in Engineering Management and Maintenance and Operation departments at Saudi Aramco.

### C. Executive Management

Name	Current positions	Previous positions	Qualifications	Experience
Eng. Mosaed bin Sulaiman Al Ohali*	CEO of Ma'aden	Senior Executive Consultant - the Company Saudi Basic Industries Corporation SABIC	Bachelor's degree in Chemical Engineering from King Fahd University Petroleum and Minerals. Master's degree in Chemical Engineering from King Fahd University Petroleum and Minerals. Harvard Business School's Advanced Management Program.	Held several leadership positions in the Saudi Basic Industries Corporation (SABIC), the most recent of which was a senior advisor Executive and accepted by the Executive Vice President of Finance.
Mr. Darren Christopher Davis**	-	President and CEO (Acting) of Ma'aden	Bachelor's degree of Business Administration, University of Aston, UK	Served in the Middle East since 1999, more than 20 years' experience in banking and finance, primarily in the natural resources and energy sector including mergers and acquisitions,



Name	Current positions	Previous positions	Qualifications	Experience
				strategic advisory, debt raising, project finance and debt restructuring.
Mr. Khaled bin Saleh AlKhattaf	Senior Vice President Finance & Chief Financial Officer	CEO of Lafana Investment Holding Company	Bachelor's degree in Accounting from King Saud University. Diploma in Applied Economics from the American University in Washington. Master's degree in Finance and Accounting from the University of Colorado.	He held several leadership positions, including CEO of Lavana Investment Holding Company and as CEO and Managing Director of Nomura Arabia, he also held the position of Chief Financial Officer in the Saudi Stock Exchange, the position of Acting Director of Investment Operations at the Saudi Arabian Monetary Agency, and he also worked in the International Investment Guarantee Corporation (a World Bank group).
Eng. Riyadh bin Saad Al-Nassar	Senior Vice President for Aluminum	Vice President of the Shared Services, Vice President of Project Management and Engineering, President of Ma'aden Aluminum and Ma'aden Bauxite & Alumina	Bachelor's degree in Electrical Engineering, King Fahd University of Petroleum and Minerals, KSA	Project engineer, Eastern Petrochemical Company (SHARQ), Project manager, SAFCO Manager of Design and Projects Department at MARAFIQ, Director of Planning, Engineering, and Project Management, GCC Interconnection Authority
Eng. Abdulaziz bin Asker Al-Harbi	Executive Vice President for Shared Services and Security	Vice President for Industrial Security and Support Services	Bachelor's degree in Chemical Engineering, King Saud University Riyadh, KSA Advanced Management and Leadership Program, Oxford University, London, UK	Held several leadership positions, including Director General of Operation and Technical in SAFCO (2007), several leaderships positions in Ma'aden and served on several board memberships in Ma'aden Affiliates, Chairman of the ERADH Board (Saudi Youth Development and Engagement Programs) and a member of Jubail City Council
Mr. Ibrahim bin Mohammed Al Amer	Senior Vice President of Human Capital	Deputy Minister of Commerce & Investment, For Shared Services	Bachelor's degree in Business Administration from Imam Mohammed bin Saud Islamic University 1994,	Held several leadership positions, including the Deputy Minister of Commerce & Investment, For Shared Services, Vice President of Human Capital in Medical Group of Dr. Sulaiman Al

Name	Current positions	Previous positions	Qualifications	Experience
			MBA from Hull university in UK.	Habib, Vice President of Human Capital in Al-Othaim holding Company.
Eng. Hassan bin Madani AlAli	Senior Vice President of Phosphate and Industrial Minerals	President of Ma'aden Phosphate Company (MPC)	Bachelor's degree in Mechanical Engineering (Production), King Abdulaziz University, Jeddah	Held several leadership positions, including Director of POLYETHYLENE TEREPHTHALATE (PET) in Sabic, joined Ma'aden as Director of Strategic planning & business development, appointed as President of Ma'aden Phosphate Company 2016, served on several board memberships in Ma'aden Affiliates
Mr. David Schumer	Senior Vice President of Gold and Base Metals	Executive Vice President and Chief Operating Officer in Newmont Mining Corporation	Bachelor's degree in Finance, Regis University, USA	Held several leaderships positions at Newmont Mining Corporation including Chief Operating Officer
Eng. Khalid bin Suliman AlOhal	Senior Vice President of Corporate Strategic Affairs and Communication	Vice President of Corporate Strategy & Development Vice President of Aluminum Business	Bachelor's in Mechanical Engineering, King Fahd University of Petroleum and Minerals	Held several technical and leadership positions at the Saudi Arabian Economic Offset Program Advisor for the Ministry of Petroleum and Mineral Resources Vice President, National Industrial Clusters Development Program Vice President, Charles River Associates International (CRAI) and MD in Saudi Arabia

\* Joined the Company on 1 April 2020.

\*\* Resigned from the Company on 31 March 2020.

### 3. Names of the companies inside and outside the Kingdom in which a Board member is a member of their current or previous Board member or manager.

Member Name	Board of Directors membership inside KSA		Board of Directors membership outside KSA	
	Current	Previous	Current	Previous
HE. Yaser bin Othman Al-Rumayyan	Chairman of Saudi Aramco Company, Chairman of Sanabil Investments company, Chairman of Noon Investments Company, Vice chairman of Central Arriyadh Development Company, Vice chairman of Roshn Real Estate Company, Board member of NEOM Company, Board member of The Red Sea Development Company, Board member of Amaala Company, Board member of Qiddiya Investment Company, and Board member of Saudi Information Technology Company (SITE)	Chairman of King Abdullah Financial District Development & Management Company, and Board Member of Saudi Stock Exchange Company (Tadawul)	Board Member of Uber Technologies, Inc., and Board Member of Arm Limited Company	Board member of Softbank Group
Dr. Abdulaziz bin Saleh Al-Jarbou	Gulf Chemicals and Industrial Oils Company.	Saudi Aramco, Saudi Arabian Amiantit, Albilad Catalyst, Riyadh Bank, Saudi Company For Paper Industry, United Lubricating Oil Company, Inc. Philips Saudi Arabia lighting.	-	-
HE. Suliman bin Abdulrahman Al-Gwaiz	Etihad Etisalat (Mobily), Saudi Industrial Investment Group, Hassana Investment Company and Future Businesses Company	The National Company for Glass Industries (Zoujaj), National Industrialization, royal and sun alliance insurance, AJIL Financial Services Company, MasterCard International Inc.	-	MasterCard International Corporation, Africa and South West Asia, Royal & Sun Union Insurance Company.
HE. Eng. Khalid Bin Saleh Al-Mudaifer	Saudi Public Transport Company (SAPTCO)	Gulf International Bank B.S.C.	-	-

Member Name	Board of Directors membership inside KSA		Board of Directors membership outside KSA	
	Current	Previous	Current	Previous
Dr. Mohammed bin Yahya Al-Qahtani	Aramco Trading, US-Arabia Bilateral Chamber of Commerce, Energy City Development Company, Inc. Saudi Aramco Jubail Refinery (SASREF), Supervisory Board of King Fahad University of Petroleum and minerals, The Advisory Board of Wadi Dhahran for Technology, Saudi Aramco Technology Exploration and Production, Saudi Aramco Partnership Committee with King Abdullah University of Science and Technology, Gulf Petrochemical and Chemical Union.	The Arab Company for Geophysics and Surveying Ltd., Society of Petroleum Engineer, Supervisory Board for Hafir Albatin University.	Motiva Ltd., PRefChe	Aramco Services Company
Mr. Richard O'Brien	-	-	Xcel Energy Vulcan Materials Company Pretuim Resources, Ink	-
Dr. Samuel Walsh	-	-	Mitsui & Co., Gold Company, Council of Australia for Arts, Perth Mint.	Rio Tinto, Seven West Media
Dr. Ganesh Kishore	-	-	Nabiqeen Company, Greenlight Bioscience Company, Consumer Physics Company, Amphora Corporation, Inc. Moqin, MGC, MynvAX	-
Mr. Abdullah bin Saleh bin Jum'ah	The Saudi Investment Bank, Hassana Investment, Zamil Industrial Investment Company.	Saudi Arabian Airlines Public Corporation	-	Halliburton American Company
Eng. Nabila bint Mohammed Al-Tunisi	Dar Al-Hekma University, Saudi Council of Engineers	-	-	-
Eng. Mosaed bin Sulaiman Al Ohali	National Industries Company	Marafiq Company, Saudi Petrochemical Company		

Member Name	Board of Directors membership inside KSA		Board of Directors membership outside KSA	
	Current	Previous	Current	Previous
		(Sadaf), Saudi European Petrochemical Company (Ibn Zahr), National Methanol Company (Ibn Sina), Saudi Arabian Industrial Investments Company (Dsr), Saudi Company for Methacrylate (SAMAC), Arabian Petrochemical Company (PETROKEMYA) and ARASCO	-	-
HE. Eng. Abdallah bin Ibrahim Al-Saadan	Administrative Committee and Central Committee, Aramco Board of Strategies and Organization and Administrative Development Committee, Aramco Chairman of the Services Audit Committee, Aramco Chairman of Board of Directors at Yanbu Aramco Sinopec Refining Company Ltd. (YASREF) Board member, Saudi Arabian Mining Company (Ma'aden) Member of the Advisory Committee of the College of Industrial Management, King Fahd University of Petroleum and Minerals S-Oil Company	Chairman of the Saudi Aramco Mobil Company Ltd (SAMREF), a member of Saudi Arabian Mining Company (Ma'aden).	Chairman of the Board of Directors of Johns Hopkins Aramco for medical care.	-
Dr. Klaus Kleinfeld	-	-	Fero Labs K2Elevation	Bayer AG Morgan Stanley Hewlett Packard

Member Name	Board of Directors membership inside KSA		Board of Directors membership outside KSA	
	Current	Previous	Current	Previous
Eng. Abdullah Bin Mohammed Al-Issa	Chairman of Riyadh Bank Board of Directors, SABIC, Chairman of Dur Hospitality Company Board of Directors, Deputy Chairman of the Board of Directors of Etihad Etisalat (Mobily)	The Saudi Arabian Mining Company (Maaden), Arabian Cement Company (Chairman of the Board), Jadwa Investment Company, Saudi Company for Hotels and Tourism, National Medical Care Company (Chairman of the Board), Cement Products industry (Chairman of the Board), King Faisal Schools, The National Company for Transporting Chemicals, The national shipping carrier of Saudi Arabia	Clariant AG	-
Ms. Lubna bint Suliman Al-Olayan	Schlumberger Company, Saudi British Bank (SABB) Chairman of the Board.	Vice Chairman of Al-Olayan Group, Vice Chairman of Alawwal Bank, Vice Chairman AL-Olayan financial Company, Saudi Arabian Mining Company (Ma'aden)	Schlumberger Company	Allianz SE McKinsey and Co. Bank of American Merrill Lynch Ak bank, Turkish Akbank Bank.



#### 4. Composition of the Board and classification of its members, as follows: Executives, Non-Executive Director, or Independent Director.

Name	Membership
HE. Yaser bin Othman Al-Rumayyan	Non-Executive
Dr. Abdulaziz bin Saleh Al-Jarbou	Independent
HE. Suliman bin Abdulrahman Al-Gwaiz*	Independent
HE. Eng. Khalid bin Saleh Al-Mudaifer	Non-Executive
Dr. Mohammed bin Yahya Al-Qahtani	Non-Executive
Mr. Richard O'Brien	Non-Executive
Dr. Samuel Walsh	Non-Executive
Dr. Ganesh Kishore	Non-Executive
Mr. Abdullah bin Saleh bin Jum'ah	Independent
Eng. Nabila bint Mohammed Al-Tunisi	Independent
Eng. Mosaed bin Sulaiman Al Ohali	Executive
HE. Eng. Abdallah bin Ibrahim Al-Saadani**	Non-Executive
Dr. Klaus Kleinfeld**	Non-Executive
Eng. Abdullah bin Mohammed Al-Issa**	Independent
Ms. Lubna bint Suliman Al-Olayan**	Independent

\*Appointed as a non-executive member in the previous term, and as an independent member for the current term.

\*\*Membership expired on the 24 October 2020.

#### 5. Procedure taken by the Board to inform its members, Non-Executive Directors in particular, of the shareholders' suggestions and remarks on the Company and its performance.

The Executive Management provided a report on the shareholders and the movement of the Company's shares trading, and what was related to inquiries, proposals and observations about the Company and its performance. The Executive Management has also presented to the Board of Directors an annual report containing all the necessary information on the activities of the investors, what is related to the Company's share and movement. The Company has also disclosed all the questions of the shareholders and/or the supervisory authorities that they answer during the

meeting of the General Assembly, and publish this on its website, and there are no suggestions or notes for the shareholders about the Company and its performance other than what was disclosed.

**6. A brief description of the competencies and duties of the committees, such as the audit committee, the nomination committee and the remuneration committee indicating their names, names of their chairmen, names of their members, the number of their respective meetings, dates of those meetings and the members' attendance details of each meeting.**

In accordance with the Governance General Framework approved by the General Assembly, the Board of Directors is obliged to form sub-committees with specific powers specified in its charter. The following committees are established by the Board of Directors: The Audit Committee, the Nomination and Remuneration Committee, the Executive Committee and the Security and Sustainability Committee. Each committee has its own terms of reference, according to which its tasks, duration, and working methods are determined. Each committee shall report its work to the Board. These committees assist the Board of Directors in effectively fulfilling its functions and responsibilities.

### Audit Committee

Member Name Date	Term*	1	2	3	4	Total
		28/01/2020	30/04/2020	23/07/2020	04/11/2020	
HE. Suliman bin Abdulrahman Al-Gwaiz (Chairman)	Current				✓	1/1
HE. Eng. Khalid bin Saleh Al-Mudaifer	Current				✓	1/1
Mr. Mike Chang	Current				✓	1/1
Mr. Waleed bin Ibrahim Shukri	Current & Previous	✓	✓	✓	✓	4/4
HE. Eng. Abdallah bin Ibrahim Al-Saadon (Chairman)	Previous	✓	✓	✓		3/3
Mr. Richard O'Brien	Previous	✓	✓	✓		3/3
Eng. Khalid bin Hamad AlSenani	Previous	✓	✓	✓		3/3

\*The previous term ended on 24 October 2020, and the current term began on 25 October 2020.

### Audit committee's main tasks:

- Review the Company's adopted financial policies.

- Oversee the Company's internal audit department, to ensure the performance efficiency of the activities and tasks assigned by the Board of Directors.
- Review and approve the internal audit plan and recommend to the Board on the appointment or termination of services and fee of external auditors;
- Ensuring external auditors' independence;
- Follow up on external auditors' work, approve any task assigned to them beyond the auditing task and review their comments and recommendations on consolidated financial statements
- The Audit Committee Charter, which identifies the committees' authorities, roles and responsibilities, is accessible on Ma'aden's website.

### Nomination and Remuneration Committee

Member Name	Date	Term*	1	2	3	4	5	6	Total
			30/01/2020	16/02/2020	18/02/2020	04/06/2020	17/09/2020	14/12/2020	
Dr. Abdulaziz bin Saleh Al-Jarbou (Chairman)		Current						✓	1/1
Mr. Richard O'Brien		Current						✓	1/1
Dr. Samuel Walsh		Current						✓	1/1
Mr. Abdullah bin Saleh bin Jum'ah		Current & Previous	✓	✓	✓	✓	✓	✓	6/6
Dr. Klaus Kleinfeld		Previous	✓	✓	✓	✓	✓		5/5
Eng. Abdullah Bin Mohammed Al-Issa (Chairman)		Previous	✓	✓	✓	✓	✓		5/5
Ms. Lubna Bint Sulaiman Al-Olayan		Previous	✓	✓	✓	✓	✓		5/5

\*The previous term ended on 24 October 2020, and the current term began on 25 October 2020.

### Nomination and Remuneration Committee's main tasks:

- Annual review of the skills, capacities, and work experience required to strengthen the capacity of the Board of Directors. Assist in the selection of qualified candidates for Board membership and prepare a long-term succession plan if necessary. The Committee also identifies the strengths and weaknesses of the Board and proposes to address any shortcomings

- Ensuring, on an annual basis, the independence of the independent members and the presence or absence of any conflict of interest if the member is a board member of another Company.
- Review and approve full compensation (salaries, allowances, and shares) for the executive management on an annual basis.
- Review and approve human resources policies and procedures, administrative development programs and executive career replacement plans, and evaluation objectives (including key performance indicators) to be achieved within bonuses and incentive programs.
- The Nominations and remuneration committee regulation details, the work of the Committee and its powers, which determine the tasks entrusted to it, duration, and work method, and is accessible on Ma'aden's website

### Executive Committee

Member Name	Date	Term*	1	2	3	4	5	Total
			16/02/2020	04/05/2020	09/08/2020	15/11/2020	01/12/2020	
Mr. Richard O'Brien (Chairman)		Current & Previous	✓	✓	✓	✓	✓	5/5
Dr. Mohammed bin Yahya Al-Qahtani		Current				✓	✓	2/2
Dr. Samuel Walsh		Current				✓	✓	2/2
Eng. Nabila bint Mohammed Al-Tunisi		Current				✓	✓	2/2
Eng. Mosaed bin Sulaiman Al Ohali		Current				✓	✓	2/2
HE. Eng. Abdallah bin Ibrahim Al-Saadon		Previous	✓	✓	✓			3/3
HE. Suliman bin Abdulrahman Al-Gwaiz		Previous	✓	✓	✓			3/3
HE. Eng. Khalid bin Saleh Al-Mudaifer		Previous	✓	✓	✓			3/3
Dr. Klaus Kleinfeld		Previous	✓	✓	✓			3/3

\*The previous term ended on 24 October 2020, and the current term began on 25 October 2020.

### Executive Committee's main tasks:

- Review the Company's strategies and objectives and make recommendations to the Board in this regard.
- Review the staff budget and operational and capital budgets.
- Review the proposed business plans, operations, and financial plans and submit recommendations to the Board in this regard.

- Supervising and receiving reports on the implementation and completion of projects and expansion work.
- Approve the Company's policies and procedures except accounting policies and procedures and remuneration policy.
- The Executive Committee's regulation details the work of the Committee and its powers, which determine the tasks entrusted to it, duration, and work method, and is accessible on Ma'aden's website.

### Safety and Sustainability Committee

Member Name	Date	Term*	1	2	3	4	Total
			30/01/2020	14/06/2020	30/09/2020	13/12/2020	
Mr. Abdullah bin Saleh bin Jum'ah (Chairman)		Current				✓	1/1
Dr. Mohammed bin Yahya Al-Qahtani		Current				✓	1/1
Dr. Ganesh Kishore		Current				✓	1/1
Eng. Nabila bint Mohammed Al-Tunisi		Current				✓	1/1
Mr. Richard O'brien (Chairman)		Pervious	✓	-	-		1/3
HE. Eng. Abdallah bin Ibrahim Al-Saadon		Previous	✓	✓	✓		3/3
HE. Eng. Khalid bin Saleh Al-Mudaifer		Previous	✓	✓	✓		3/3

\*The previous term ended on 24 October 2020, and the current term began on 25 October 2020.

### Safety and Sustainability Committee's main tasks:

- Assist the Board of Directors to oversee the strategies, policies, administrative processes, and Company performance in the areas of safety, health, environment, and sustainability, and reduce the losses resulting from the employees and contractors' injuries.
- The committee provides guidance and advice to the Executive Management on improvements to the Company's initiatives, policies, and practices to ensure compliance, while strengthening the Company's values in the areas of safety, health, environment and sustainability.
- Review policies and regulations related to safety, health, environment, and sustainability, and oversee their implementation by the executive management.

- The Safety and Sustainability Committee charter explains the committee's scope of work and powers and is accessible on Ma'aden's website.

## 7. Where applicable, the means used by the Board to assess its performance, the performance of its committees and members and the external body which conducted the assessment and its relationship with the Company, if any.

The Nomination and Remuneration Committee assigned an independent expert house to conduct an evaluation of the performance of the Board and its committees during the fiscal year 2020, and in view there have been changes in the membership of the Board, the Committee considered that the evaluation should be postponed to the beginning of the next fiscal year, so that it would complete the evaluation and raise its recommendations to the Board, which would enhance the performance and effectiveness of the Board and its committees during the upcoming months.

## 8. Disclose the remuneration of the Board members and Executive Management as stated in Article (93) of Corporate Governance Regulations.

### A. Board Members' Remuneration Policy

Compensation of the Board members consists of a specified salary, or meeting attendance fee, material benefits, a percentage of the net profits or a combination of two or more of these benefits. In all cases, the total amount of the compensation, in financial or material benefits to a Board member shall not exceed the amount specified in accordance with the Companies law, its implementation and the measures established by the competent authority and the Board of Directors Report should include a statement of what members of the Board received as administrators or what they received in return for technical or administrative work or consultations to attend the Committees meetings, and it should also include a statement of the number of Board Meetings and the number of meetings attended by each member from the date of the last General Assembly. The Board of Directors Report shows the amounts specified for these compensations.

### B. Board Committees' Remuneration Policy

#### Remuneration of Audit Committee Members



The Audit Committee's charters determined the remuneration of the Committee Members according to the following:

- i. Allowance for attending meetings at an amount of 3,000 three thousand riyals for one meeting.
- ii. An annual reward of 100 hundred thousand riyals to be paid to every member of the committee who is not a member of the Board.
- iii. The remuneration of a committee member who is a member of the Board of Directors shall be in accordance with what is stated in the Board of Director's guide, and the Board may amend the remuneration and compensation allocated to the Board Members at any time it deems fit, provided that the change is announced as required by the relevant regulations.

#### **Remuneration of Nomination and Remuneration Committee Members**

The Nomination and Remuneration Committee's work regulations determined the remuneration of the Committee Members according to the following:

- i. Allowance for attending meetings at an amount of 3,000 three thousand riyals for one meeting.
- ii. An annual reward of 100 hundred thousand riyals to be paid to every member of the committee who is not a member of the Board.
- iii. The remuneration of a committee member who is a member of the Board of Directors shall be in accordance with what is stated in the Board of Director's guide, and the Board may amend the remuneration and compensation allocated to Board Members at any time it deems fit, provided that the change is announced as required by the relevant regulations.

#### **Remuneration of Executive Committee Members**

The Nomination and Remuneration Committee's work regulations determined the remuneration of the Committee Members according to the following:

1. Each member of the committee is entitled to the following remuneration:
  - i. Allowance for attending each meeting.
  - ii. An annual reward.

2. Board reports submitted to the General Assembly must disclose compensation and other amounts paid to the committee members.

**Remuneration of Safety and Sustainability Committee members:**

The Safety and sustainability Committee's work regulations determined the remuneration of the Committee Members according to the following:

1. Each member of the committee is entitled to the following remuneration:
  - i. Allowance for attending meetings at an amount of 3,000 three thousand riyals for one meeting.
2. Board reports submitted to the General Assembly must disclose compensation and other amounts paid to the committee members as administrators or what they received in return for technical or administrative work or consultations.

The Board Secretariat shall calculate the remunerations of the Board of Directors & the Committees in accordance with the agreements and policies in force, and submitting them to the Nomination and Remuneration Committee, which endorses these remunerations, to be approved from the General Assembly. Remuneration and compensation are calculated based on the policies adopted, and there are no significant variances from those policies.

## Remunerations and compensations paid to Board members of Ma'aden during the financial year ended 31 December 2020 (SAR)

	Fixed Remuneration						Variable Remuneration						End-of-service award	Aggregate Amount	Expenses Allowance
	Specific amount	Allowance for attending Board meetings	Total Allowance for attending committee meetings	In-kind benefits	Remunerations for technical, managerial and consultative work	Remunerations of the chairman, Managing Director or Secretary, if a member	Total	Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans	Granted shares (insert the value)			
1.Independent Members															
Dr. Abdulaziz bin Saleh Al-Jarbou	46448.10	6,000	3,000				55,448.10								
HE. Suliman bin Abdulrahman Al-Gwaiz	250,000	18,000	12,000				280,000								
Mr. Abdullah bin Saleh bin Jum’ah*	244,535.50	15,000	21,000				280,535.50								
Eng. Nabila bint Mohammed Al-Tunisi	46,448.10	6,000	9,000				61,448.10								
Eng. Abdullah bin Mohammed Al-Issa	203,551.90	12,000	15,000				230,551.90								
Ms. Lubna bint Suliman Al-Olayan	203,551.90	12,000	15,000				230,551.90								
Total	994,535.50	69,000	75,000				1,138,535.50								
2.Non – Executive Members															
HE. Eng. Yaser bin Othamn Al-Rumayyan	250,000	18,000	-			200,000	468,000								
HE. Eng. Khalid bin Saleh Al-Mudaifer	250,000	18,000	21,000				289,000								
Dr. Mohammed bin Yahya Al-Qahtani	46,448.10	6,000	9,000				61,448.10								
Mr. Richard O'Brien	352,355.63	18,000	30,000				400,355.63								
Dr. Samuel Walsh	46,448.10	6,000	9,000				61,448.10								
Dr. Ganesh Kishore	46,448.10	6,000	3,000				55,448.10								
Eng. Abdallah bin Ibrahim Al-Saadan	203,551.90	12,000	27,000				242,551.90								
Dr. Klaus Kleinfeld	305,907.53	12,000	24,000				341,907.53								
Total	1,501,159.36	96,000	123,000			200,000	1,920,159.36								
3. Executive Members															
Eng. Mosaed bin Sulaiman Al Ohali**	187,841.50	12,000	6,000				205,841.50								
Total	187,841.50	12,000	6,000				205,841.50								

\*Appointed as an independent member for the previous term on 9 January 2020.

\*\* Appointed as an executive member for the previous term on 1 April 2020.

## Allowances for attending Committees' meetings

	Fixed Remuneration (Except for the allowance for attending Board meetings)	Allowance for attending Board meetings	Total
<b>Audit Committee</b>			
HE. Suliman bin Abdulrahman Al-Gwaiz	200,000	3,000	203,000
HE. Eng. Khalid bin Saleh Al-Mudaifer	200,000	3,000	203,000
Mr. Walid Ibrahim Shukri	100,000	12,000	112,000
Mr. Mike Chang	18,579.20	3,000	21,579.20
HE. Eng. Abdallah bin Ibrahim Al-Saadan	162,841.50	9,000	171,841.50
Mr. Richard O'Brien	37,158.50	9,000	46,158.50
Eng. Khalid Hamad Alsenani	81,420.80	9,000	90,420.80
<b>Total</b>	<b>800,000</b>	<b>48,000</b>	<b>848,000</b>
<b>Nomination &amp; Remuneration Committee</b>			
Dr. Abdulaziz bin Saleh Al-Jarbou	37,158.50	3,000	40,158.50
Mr. Abdullah bin Saleh bin Jum'ah	195,628.40	18,000	213,628.40
Dr. Samuel Walsh	37,158.50	3,000	40,158.50
Mr. Richard O'Brien	*	3,000	3,000
Eng. Abdullah bin Mohammed Al-Issa	162,841.50	15,000	177,841.50
Dr. Klaus Kleinfeld	*	15,000	15,000
Ms. Lubna bint Suliman Al-Olayan	162,841.50	15,000	177,841.50
<b>Total</b>	<b>595,628.40</b>	<b>72,000</b>	<b>667,628.40</b>
<b>Executive Committee</b>			
Mr. Richard O'Brien	*	15,000	15,000
Dr. Mohammed bin Yahya Al-Qahtani	37,158.50	6,000	43,158.50
Eng. Nabila bint Mohammed Al-Tunisi	37,158.50	6,000	43,158.50
Dr. Samuel Walsh	*	6,000	6,000
Eng. Mosaed bin Sulaiman Al Ohali	37,158.50	6,000	43,158.50
HE. Eng. Abdallah bin Ibrahim Al-Saadan	*	9,000	9,000
HE. Suliman bin Abdulrahman Al-Gwaiz	*	9,000	9,000
HE. Eng. Khalid bin Saleh Al-Mudaifer	*	9,000	9,000
Dr. Klaus Kleinfeld	*	9,000	9,000
<b>Total</b>	<b>111,475.50</b>	<b>75,000</b>	<b>186,475.50</b>

## Allowances for attending Committees' meetings

	Fixed Remuneration (Except for the allowance for attending Board meetings)	Allowance for attending Board meetings	Total
<b>Safety &amp; Sustainably Committee</b>			
Mr. Abdullah bin Saleh bin Jum'ah	*	3,000	3,000
Dr. Mohammed bin Yahya Al-Qahtani	*	3,000	3,000
Eng. Nabila bint Mohammed Al-Tunisi	*	3,000	3,000
Dr. Ganesh Kishore	37,158.50	3,000	40,158.50
HE. Eng. Abdallah bin Ibrahim Al-Saadon	*	9,000	9,000
HE. Eng. Khalid bin Saleh Al-Mudaifer	*	9,000	9,000
Mr. Richard O'Brien	*	3,000	3,000
<b>Total</b>	<b>37,158.50</b>	<b>33,000</b>	<b>70,158.50</b>
<b>Total Amount</b>	<b>1,544,262.40</b>	<b>228,000</b>	<b>1,772,262.40</b>

\*the Board member receives an amount of 200,000 for his/her membership in the committees, regardless of the number of memberships in those committees.

The total remuneration and compensation due to the members of the Board of Directors and the Committees amounted to SAR 4,832,798.76 SAR considering that the total amount received by the member does not exceed the amount specified in the laws and regulations.

The General Assembly shall approve these payments on its first meeting.

### C. Executive remuneration policy

The total executive compensation is associated with the Company's performance, which includes a performance bonus plan that is comprised of a Short-Term Incentive Plan (STIP) and Deferred Long-Term Incentive Plan (DLTIP), consisting of a maximum cap as per the nomination and remuneration committee approval. The DLTIP, which is primarily funded by executives, is based on a percentage of the STIP and paid over a period of three years, with the emphasis on the retention of executives.

The Human Capital Management calculates the bonus based on Company's set policy and sends it to the Remuneration and Nomination committee which approves these bonuses as per budget and it is stated in the Board's report. The table below shows the Remuneration and compensation paid to the top six senior executives, based on the policies adopted, including the CEO and CFO.

Fixed remunerations	Variable remunerations
---------------------	------------------------

Salaries	Allowances	In-kind benefits	Total	Periodic remunerations	Profits	Short-term incentive plans	Long-term incentive plans	Granted shares	Total	End-of service award	Grand Total*
12,177,190	4,047,743	-	16,224,933	533,838	-	3,022,266	840,724	-	4,396,828	1,047,029	21,668,790

\*The company has committed the disclosure of the Executives remuneration, in accordance with the statutory requirements contained in Article 93 of the Corporate Governance Regulations. The Company has addressed the Capital Market Authority (CMA) on 06/01/2021 concerning the optimal detail for the disclosure of the Executives' remuneration, as contained in Appendix No. (1) of the Corporate Governance Regulations and in accordance with Article 61 of the Rules for Offering Securities and Continuing Obligations. The Company's request is still under discussion with CMA. The Company aspires to reach an agreement with CMA regarding such disclosure in order to avoid any unjustified harm, and to give a correct impression on the mechanism of compensation procedures, which depends on the competitiveness of Human Capital. The Company will be committed to disclose according to the direction of CMA, in a way that serves the interests of investors and the stability of the Stock Market's disclosures.

## 9. Any punishment, penalty, precautionary procedure or preventive measure imposed on the Company by the Authority or any other supervisory, regulatory or judiciary authority, describing the reasons for non-compliance, the imposing authority and the measures undertaken to remedy and avoid such noncompliance in the future.

No penalty, punishment, precautionary measure or preventive restriction has been imposed on the Company by the Capital Market Authority or any supervisory, regulatory, or judicial body.

## 10. Results of the annual review of the effectiveness of the internal control procedures of the Company and the opinion of the audit committee with respect to the adequacy of the Company's internal control system.

### Group Internal Audit

During the fiscal year 2020, Group Internal Audit continued to provide independent, objective audit, advisory and consultancy services to facilitate accomplishment of strategic objectives by utilizing a systematic and disciplined approach to evaluating the effectiveness of internal controls, risk management, and governance processes.

Group Internal Audit pursued its strategy of conducting insightful audits on Governance, Compliance, Internal Controls, and Risk management focusing on:

- Stronger Three-lines of Assurance;
- Internal Audit Functional Excellence;
- Broader Technology / Data Analytics;



Group Internal Audit focused its Assurance engagements on 'Inherently High-Risk processes. The main objectives of Group Internal Audit activities are:

- Assess the governance environment and applicable governance framework and identify possible improvements.
- Assessment of the risk management processes of the Company and its subsidiaries.
- Provide assurance over the adequacy of EHSS management systems.
- Evaluate established internal control systems to ensure compliance with laws, regulations, and Company policies and procedures.
- Assess the adequacy of the internal control systems for safeguarding the Company's assets.
- Follow-up with management on the implementation of corrective actions resulting from audits to improve internal control effectiveness.

Consistent with the scope of work of the audit plan approved by the audit committee, and through the audit results and reports submitted to the audit committee, positive assurance of the systems and effectiveness of the internal control systems of the Company is given.

#### **11. The Audit committee's recommendation on the need for appointing an internal auditor for the Company, if there is no internal auditor.**

Not applicable, the Company has an Internal Audit Department that performs the internal auditor functions.

#### **12. The Audit committee's recommendation with conflict with Board resolution or those which the Board disregards relating to the appointment, dismissal, assessment or determining the remuneration of an external auditor as well as justifications for those recommendations and reasons for disregarding them.**

There are no conflicts between the Audit Committee recommendations and the Board resolutions.

#### **13. Details of the Company's social contributions.**

Ma'aden focuses its social investment efforts on the communities surrounding its business sites, especially in remote areas, which are mostly remote villages and desertions, far from the urban tide, and where there are fewer development opportunities compared to the main cities.

Ma'aden's contributions are focused in the field of education and job creation in the first place, business development for the people of these communities, in addition to other developmental areas.

Ma'aden has been keen to develop plans and strategies that include supporting, contributing and educating the surrounding communities in its work during the emerging Corona virus (Covid-19) pandemic and has made great efforts by supporting, contributing and educating the surrounding communities in its work.

In 2020, Ma'aden has spent more than SAR 38 million over 39 different initiative while Education & Training and Health & welfare Categories account for the vast majority of the social investments in addition to other development causes.

#### Details of Social Investments 2020

Initiative Category	Number	Amount (SAR)
Education and Training	4	20,085,688.97
Infrastructure	1	17,250
Community development	2	289,900
Public & Government Relation and Sponsorship	9	496,058
Environment, energy & climate change	3	2,217,000
Health & welfare; water & sanitation	16	15,476,675
Sports, arts, culture & heritage	0	0
Other social investment or charitable giving	4	187,000
<b>Total</b>	<b>39</b>	<b>38,769,571.97</b>

#### 14. A list of the dates of the General Assembly meetings held during the last fiscal year and the names of the Board members who attended them.

Member's name	The 11 <sup>th</sup> Ordinary General Assembly	The 12 <sup>th</sup> Ordinary General Assembly
	15/03/2020	22/10/2020
HE. Mr. Yaser bin Othman Al-Rumayyan	✓	-
HE. Sulaiman bin Abdulrahman Al-Gwaiz	✓	✓
HE. Eng. Abdullah bin Ibrahim Al-Saadani	✓	-
HE. Eng. Khalid bin Saleh Al-Mudaifer	✓	✓
Dr. Klaus Kleinfeld	✓	-
Mr. Richard O'Brien	✓	✓
Mr. Abdullah bin Saleh bin Jum'ah	-	✓
Eng. Abdullah bin Mohammed Al-Issa	✓	✓
Ms. Lubna bint Sulaiman Al-Olayan	✓	✓
Eng. Mosaed bin Sulaiman Al Ohali*		✓

\*Appointed as an executive member on 1 April 2020

### 15. A description of the main scope of business of the Company and its affiliates. If there are two or more, a statement showing each activity and how it affects the Company businesses and results shall be attached.

Segment	2020		2019		Variance%	
	Sales (SAR)	Contribution%	Sales (SAR)	Contribution%	Sales (SAR)	Contribution%
Phosphate and Industrial minerals SBU	8,663,177,522	46%	8,250,311,335	46%	412,866,187	49%
Aluminum SBU	7,181,582,602	39%	7,399,762,355	42%	(218,179,753)	-26%
Gold and Base metals SBU	2,735,063,137	15%	2,086,204,896	12%	648,858,241	77%
<b>Total sales</b>	<b>18,579,823,261</b>	<b>100%</b>	<b>17,736,278,586</b>	<b>100%</b>	<b>843,544,675</b>	<b>100%</b>

### 16. A description of the Company's significant plans and decisions (including changes to the structure, expanding the Company's operations or halting them) and the future expectations.

2020 presented major challenges for Ma'aden and businesses in general due to Covid-19 implications on Global Economy. However, Ma'aden diversified portfolio which is supported by strong long-term fundamentals helped Ma'aden to mitigate market inherited risks.

Moreover, with the appointment of Eng. Mosaed Al-Ohali as the new CEO of Ma'aden starting on 1 April 2020 and the escalation of Covid-19 pandemic challenges for the Company in the short term and anticipated impacts on the mid to long term, the Company immediately assigned an executive leadership emergency team to focus on employees' safety and operations sustainability. Further, the Company supported by its Board of Directors initiated the review of its 2030 strategy considering the challenges and opportunities presented by local and global trends. Based on which, the Company started revising its strategic initiatives focusing on:

- Excellence and operational efficiency of the existing assets while maintaining the integrity of performance in the field of safety, health, security and environmental protection.
- Sustainable growth, especially in gold and phosphates, supported by abundant ore mineral resources and competitiveness.
- Increasing exploration activities in gold and base minerals.
- Product development and optimization of the company's position in the value chain of our phosphate and aluminum business.

## 17. Information on any risks facing the Company (operational, financial or market related) and the policy of managing and monitoring these risks.

### Main risks facing Ma'aden

Ma'aden reviews and assesses risk in line with the ISO31000 framework. It uses both top – bottom and bottom - up approaches to identify risk. In this section, we have described the principal risks that we have identified and our plans to mitigate them, and to work to increase confidence that the implementation of these plans will ensure that the negative effects that may result from these risks are mitigated, partially or completely. There are numerous other risks than listed, which could have a material adverse effect on Ma'aden's financial condition and operating results. Ma'aden, like all organizations, is subject to hazards and risks inherent with mining. Such risks include internal risks such as plant stoppages due to fire, pipeline ruptures and spills, leaks and spills of hazardous substances, environmental risks and mechanical failure. Other risks might be external such as war, terrorism, sabotage and/or natural disasters. Many of these risks may cause personal injury and loss of life, severe damage

to or destruction of the Ma'aden facilities or even to the properties of others due to environmental pollution (which may result in the suspension of operations).

Ma'aden currently maintains insurance to cover and address these risks which includes coverage for the risk of property damage, business interruption and third-party liability. Ma'aden could be subject to material loss to the extent that a claim is made against Ma'aden for amounts which are not covered by insurance and for which third party indemnification is not available.

If Ma'aden suffers large uninsured losses or if any insured loss significantly exceeds its insurance coverage, the business, results of operations or financial condition may be materially and adversely affected. This would, in turn, affect the ability of Ma'aden to meet its strategic objectives and potentially negatively affect Ma'aden's business and financial condition

### Ma'aden's Top 12 Risks

#### 1. Covid-Continuation of the COVID-19 pandemic due to new strains and/or ineffectiveness of the vaccines – rise of a new pandemic (other than Covid-19)

A continuation of the Covid-19 pandemic due to new strains of the virus or the ineffectiveness of the vaccine could continue to impact ongoing business optimization efforts. Ma'aden also needs to continue to have an effective BCP plan to ensure preparation around the next pandemic.

#### 2. Commodity price fluctuations

Ma'aden cannot control the market prices for its products and significant shifts in commodity prices will directly affect revenues. This effect can be positive during times of rising commodity prices or negative when commodity prices fall, leading to a significant impact on profitability and cash flows.

Ma'aden generally does not hedge its market price exposure and instead seeks to mitigate this risk by leveraging its capability as a low-cost producer. In times of surplus supply and declining prices higher cost marginal players will tend to be driven out of the market whilst the lower cost producers are better positioned to continue producing with a positive cash margin.

### 3. Cyber security

Ma'aden may be vulnerable to ongoing cyber-attacks just as any other business anywhere in the world. These can vary from simple attacks and phishing exercises to more complex attacks. These attacks could threaten the integrity of our intellectual property and other sensitive information and disrupt our business operations. This could result in physical damage, reputational harm, seeking of ransom payments and other negative consequences which could have a material adverse effect on our financial condition and results of operations. This is a constantly evolving area of risk, and due to this, Ma'aden has extensive safeguards, firewalls and other defenses built into its systems. We also use third party cyber security companies to assist with protecting and securing our information technology environment. Ma'aden constantly reviews cyber threats, looking for opportunities to enhance its cyber security.

### 4. Projects

Identification of new projects, their development and execution on time, on budget and on specification is another area of risk. Ineffective development and execution of key projects can compromise the capital expenditure budgets and schedule. This would consequently affect the Company's profitability, growth prospects, reputation and overall financial health.

Development and investment decisions in respect of new projects are made using a "stage gate" system to ensure that new projects properly account for the costs, risks and expected returns on investment. During execution, project managers, including third party expert companies, are used to manage progress to ensure project completion on budget and schedule. This includes providing monthly completion reports and capital expenditure reports to the management to monitor progress, identify slippage and propose remedial action.

### 5. Regional Geo-Political crisis impacts Ma'aden assets or export channels

Maaden always seeks to review its business continuity plan to face the crisis of closing export channels for the company's products, and it updates the business continuity plan according to the latest regional geopolitical events.

### 6. HSS incident resulting in a fatality



Mining, metal and fertiliser production have inherent EHSS risks that could result in serious personal injuries, casualties, operational disruptions and other operational and financial losses.

Ma'aden seeks to mitigate these risks through an integrated EHSS system at all locations using internationally recognised standards, policies and procedures. We have a system of Group-wide monthly EHSS reporting and all incidents are reviewed with the goal of drawing lessons and preventing recurrence.

#### 7. **Business interruption due to industrial accident**

An industrial accident could lead to the interruption of the business. A comprehensive BCP has been developed and the BCP system should be implemented in 2021.

#### 8. **Ability to sustain production profile to reach 1m gold ounces by 2030 through reserve replacement/additions**

Ma'aden is reliant on acquiring and maintaining exploration licenses in order to replenish its or reserves and mineral resources and meet future growth plans. Failure to meet commitments on existing licenses could result in suspension or revocation of those. Additional competition in the mining sector within Saudi Arabia could result in challenges to acquire fresh acreage at an economic price.

Ma'aden periodically reviews its commitment requirements and has applied for new licenses in order to sustain exploration activities to support business growth. Alternative strategies such as acquisitions can also be employed to mitigate any potential shortfall.

#### 9. **A robust HR strategy and delivery plan may be at risk due to ineffective execution**

The availability of skilled manpower remains one of the key long-term challenges of Ma'aden, considering that the country does not have a work force specially trained in mining-related vocations. Our ability to attract, develop and retain top talent is key to addressing future succession challenges.

Ma'aden has been working closely with the country's education and training institutions to attract and develop young Saudi nationals for future roles in the industry. Through Ma'aden's Academy, we have been focusing on in-house talent development and training to develop staff and prepare them for leadership roles.

## 10. Change in government enablers, incentives and/or regulations that impact existing business and growth strategies (ie Saudi Arabian Railways, gas, utilities etc..)

### **Railway services**

Ma'aden is reliant on the services provided by Saudi Arabian Railways (SAR) for efficient and cost-effective transportation of raw materials, ore and intermediate products between its principal operating sites. An inability to move materials could result in the need to reduce or cease operations at certain facilities until supplies could be restarted. This would lead to a negative impact on the Group's profitability and cash flows.

Should SAR fail to meet our volume demand, Ma'aden will rely on transportation by trucks. This would entail a higher cost, may not be able to meet full volume requirements and may not be suitable for certain materials.

### **Power interruption**

Any significant power outage at our aluminium smelter due to equipment failure, issues with the connections to the Saline Water Conversion Corporation (SWCC) power plant or SEC grid or any other cause would have a material adverse effect on our operations and business results.

To mitigate this risk SWCC maintains a generating capacity significantly in excess of Ma'aden's needs. Ma'aden also maintains access to the Saudi Arabian power grid that can be activated in case of interruptions or shortfall in the SWCC plant supply.

### **Feedstock availability and prices**

Limits on the availability or the higher cost of key feedstock, including natural gas, sulphur, diesel and other fuel would have a negative impact on operations, profitability and cash flows.

Ma'aden depends on Saudi Aramco for the supply of natural gas, sulphur, diesel and other fuel. The natural gas is supplied from a reliable grid but in the event of an outage at Saudi Aramco there could be a shortage of supply.

Sulphur is readily available in Saudi Arabia from a number of Saudi Aramco facilities. Sulphur supplies to MWSPC are reliant on access to the rail network ('railway services' risk above). To mitigate this MWSPC maintains an option to supply by road. The supply of gas,

sulphur and diesel are agreed with Saudi Aramco, but pricing may change as a result of market fluctuations or changes in the government's energy policy.

#### **Changes in laws, regulations and regulatory requirements**

Our operational results or financial position could be adversely affected by new or more stringent laws, regulatory requirements, interpretations or outcomes of any significant legal proceedings that may occur in the future.

Ma'aden actively monitors actual and potential changes in the laws and regulations so that we can address and manage the impact of those changes.

### **11. Loss of the Jeddah Data Center**

The failure of the Oracle Jeddah Datacenter which hosts the Enterprise Resource Planning (ERP), is one of the continuous business risks. The Company has worked on partially avoiding this risk by always maintaining an addition backup copies of the data of the system; to be able to recover in case of any accidents. The Company is currently working on a study of preparing a backup infrastructure that includes two options:

- Take advantage of a datacenter outside the Kingdom of Saudi Arabia, and this requires obtaining the approval of the competent authority,
- Work with the current service provider (Oracle) to establish a backup center in the city of Riyadh. This option is expected to take a number of years.

The company has a business continuity plan that will enable operating units to continue to operate until the Enterprise Resource Planning (ERP) system is restored via an external data center.

### **12. Failure to obtain new ground for exploration.**

Obtaining new ground for exploration is a lengthy process that needs more government advocacy to ensure the process is shortened and new ground is identified. As most mining license expire in 2025, new ground exploration is a key element to ensure 1m ounce goal is reached.

## Other Ma'aden Risks

### Environmental incidents

Exploration, mining and operational activities are subject to various environmental regulations administered by the Royal Commission for Jubail and Yanbu and the Presidency of Meteorology and Environment (PME). These concern the maintenance of air and water quality standards and land reclamation rules. They also set out limitations on the generation, transportation, storage and disposal of solid and hazardous waste.

Environmental legislation may change resulting in stricter standards and enforcement. This could result in increased fines and penalties for non-compliance, more stringent environmental assessments of proposed projects and a heightened degree of responsibility for Ma'aden, its management and employees.

Ma'aden's EHSS department monitors both our operations' compliance with EHSS standards and environmental regulations.

### Compliance Risks

The risks surrounding the potential for a bribery/corruption incident happening could impact Ma'adens reputation and potential ability to attract new customers, vendors and Ma'aden could face regulatory fines and sanctions. ABC, conflicts of interest and third-party risks need to be continuously monitored and addressed to ensure mitigations of said risk.

An early stage study for both Mahd and Al Amar expansions.

### Social license to operate

Saudi Arabia is a sparsely populated country and our mines are mostly located away from large centers of population. However, there are communities around our mines and plants, and it is important for Ma'aden to secure the consent and support of local communities. Though there

are no risks of displacement with current projects and those under consideration, local communities may be affected by the presence of our industrial operations, triggering complaints from them.

Ma'aden maintains strong and positive relationships with local communities. Our subsidiaries have adopted a number of social responsibilities programmes that focus mainly on education and employment, community development and empowering local people in different ways.

#### Currency fluctuations

Ma'aden's domestic costs are primarily denominated in Saudi riyal (SAR) with the majority of its capital machinery denominated in US dollar (USD). As the exchange rate of SAR and USD is fixed, there is limited exposure as the majority of our sales are also conducted in USD. The currency is pegged at SAR3.75: USD1.

#### Liquidity

Ma'aden's ability to meet its operating costs and make scheduled payments of the principal and commission on its debts depends on the future performance of the Company. This is subject to economic, financial, competitive and other factors not fully under its control. We may not continue to generate sufficient cash flow from operations in the future to service the debt and make necessary capital expenditures.

In order to enhance liquidity, Ma'aden has centralised treasury functions to optimise the use of cash generated by the businesses. In addition, Ma'aden has access to a significant revolving line of credit in order to meet short term cash needs if required.

#### Cost of funding

Cost of funding has been at historic lows in recent years. There can be no assurance that this situation will continue. Any increase in funding costs would have a negative impact on our profitability and cash flows.

Ma'aden seeks to ensure that its debt facilities are of an appropriate size and structure for the business and regularly monitors changes in the costs of funding. We may also seek to increase the portion of our debt that is at a fixed cost including potentially entering into derivative transactions to hedge floating rate exposures if we conclude that it is appropriate.

**18. A summary in a form of table or graph showing the Company's assets, liabilities and results of the last five fiscal years or since the incorporation date, whichever is shorter.**

## Consolidated statement of financial position for the last 5 years

(In SAR millions)	IFRS				SOCPA
	2020	2019	2018	2017	2016
<b>Assets</b>					
Non-current assets	81,804	81,855	82,208	82,933	82,580
Current assets	14,933	15,803	15,930	12,184	11,563
<b>Total assets</b>	<b>96,737</b>	<b>97,658</b>	<b>98,138</b>	<b>95,117</b>	<b>94,143</b>
<b>Equity</b>					
Equity attributable to shareholders' of the parent Company	30,252	30,656	27,903	26,098	25,342
Non-controlling Interest	7,048	7,737	8,791	8,432	7,794
<b>Total equity</b>	<b>37,300</b>	<b>38,393</b>	<b>36,694</b>	<b>34,530</b>	<b>33,136</b>
<b>Liabilities</b>					
Non-current liabilities	49,303	50,705	53,547	52,864	53,296
Current liabilities	10,134	8,560	7,897	7,723	7,711
<b>Total liabilities</b>	<b>59,437</b>	<b>59,265</b>	<b>61,444</b>	<b>60,587</b>	<b>61,007</b>
<b>Total liabilities and equity</b>	<b>96,737</b>	<b>97,658</b>	<b>98,138</b>	<b>95,117</b>	<b>94,143</b>

## Consolidated statement of profit or loss and other comprehensive income for the last 5 years

(In SAR millions)	IFRS				SOCPA
	2020	2019	2018	2017	2016
<b>Sales</b>	18,580	17,736	14,171	12,086	9,464
Cost of sales	(16,013)	(15,064)	(9,284)	(8,152)	(7,443)
<b>Gross profit</b>	<b>2,567</b>	<b>2,672</b>	<b>4,887</b>	<b>3,934</b>	<b>2,021</b>
Selling, marketing and logistic expenses	(510)	(641)	(351)	(531)	(410)
General and administrative expenses	(1,033)	(930)	(463)	(382)	(325)
Exploration and technical services expenses	(213)	(180)	(95)	(62)	(49)
(impairment) / Reversal of impairment of non-current assets, net	-	(35)	46	(522)	(566)
<b>Operating income</b>	<b>811</b>	<b>886</b>	<b>4,024</b>	<b>2,437</b>	<b>613</b>
Income from time deposits	72	205	123	77	151
Finance cost	(1,662)	(2,401)	(1,753)	(1,616)	(890)
Other income /(expenses), net	(113)	87	(3)	(66)	33
Share in net income of joint ventures that have been equity accounted	197	112	143	101	4

## Consolidated statement of profit or loss and other comprehensive income for the last 5 years

(In SAR millions)	IFRS				SOCPA
	2020	2019	2018	2017	2016
(Loss) / profit before zakat and income tax	(695)	(1,111)	2,534	933	(89)
Income tax	9	(168)	(72)	(57)	19
Zakat expense	(161)	(249)	(216)	(92)	(78)
<b>Profit / (loss) for the year</b>	<b>(847)</b>	<b>(1,528)</b>	<b>2,246</b>	<b>784</b>	<b>(148)</b>
Other comprehensive (loss) / income	(225)	(229)	(51)	46	2
<b>Total comprehensive (loss) / income for the year</b>	<b>(1,072)</b>	<b>(1,757)</b>	<b>2,195</b>	<b>830</b>	<b>(146)</b>
Net income attributable to shareholders of the parent Company	(209)	(739)	1,848	715	(11)
Non-controlling interest's share of year's net income in subsidiaries	(638)	(789)	398	69	(137)
<b>Profit/ (loss) for the year</b>	<b>(847)</b>	<b>(1,528)</b>	<b>2,246</b>	<b>784</b>	<b>(148)</b>
<b>Basic and diluted earnings per share (SAR)</b>	<b>(0.17)</b>	<b>(0.62)</b>	<b>1.58</b>	<b>0.61</b>	<b>(0.01)</b>
Weighted average number of ordinary shares in issue during the year (in millions)	1,231	1,178	1,168	1,168	1,168
Gross profit percentage	14%	15%	34%	33%	21%
EBITDA	5,632	5,557	7,170	5,808	3,697

## 19. Geographical analysis of the Company's and its affiliates' revenues.

Product	2020		2019		Variance		Countries
	Amount	Quantity	Amount	Quantity	Amount	Quantity	
	Millions	Thousands	Millions	Thousands	Millions	Thousands	
International sales							
Aluminum (tons)	3,070	469	3,206	454	(136)	15	Bahrain, Bangladesh, Belgium, Brazil, China, Croatia, Egypt, France, Greece,
Can and auto sheets (tons)	2,453	223	2,486	251	(33)	(28)	Hong Kong, Indonesia, Italy, Japan, Jordan, Kuwait, Lebanon, Malaysia, Netherlands, Oman, Singapore, South Korea, Spain, Taiwan, Thailand, Turkey, United Arab Emirates, United States, and Vietnam
Alumina (tons)	258	253	454	362	(196)	(109)	United Arab Emirates and Bahrain
DAP/MAP (tons)	7,000	5,730	6,780	5,084	220	646	Indian subcontinent, Brazil, Asia and the Pacific, Latin America
Ammonia (tons)	1,181	1,340	1,251	1,291	(70)	49	Asia and the Pacific, Indian subcontinent, Korea



Product	2020		2019		Variance		Countries
	Amount	Quantity	Amount	Quantity	Amount	Quantity	
	Millions	Thousands	Millions	Thousands	Millions	Thousands	
Gold (ounces)	2,735	413	2,086	394	649	19	Switzerland, Europe, Singapore, Asia
Industrial minerals (tons)	44	32	66	42	(22)	(10)	Turkey, Japan, South Africa, Germany, Malaysia, France, Switzerland, India
Others	268	-	84	-	184	-	East of Africa
<b>Sub-total</b>	<b>17,009</b>		<b>16,413</b>		<b>596</b>	<b>-</b>	
<b>Domestic sales</b>							
Aluminum (tons)	877	127	801	108	76	19	Kingdom of Saudi Arabia
Can and auto sheets (tons)	522	54	452	43	70	11	Kingdom of Saudi Arabia
Alumina (tons)	2	2	-	-	2	2	
DAP/MAP (tons)	87	73	-	-	87	73	
Industrial minerals (tons)	83	638	69	540	14	98	Kingdom of Saudi Arabia
Infrastructure services	-	-	1	-	(1)	-	Kingdom of Saudi Arabia
<b>Sub-total</b>	<b>1,571</b>		<b>1,323</b>		<b>248</b>	<b>-</b>	
<b>Total</b>	<b>18,580</b>		<b>17,736</b>		<b>844</b>	<b>-</b>	

## 20. Any material differences in the operational results compared to the preceding year's results, along with any expectations announced by the Company.

Clarification of differences of operating results (sales and production) of strategic business units and their products of 2020 and 2019

Product	Unit of measure	2020	2019	change	% of change
<b>Phosphate</b>					
<b>Ammonium phosphate fertilizer</b>					
Sales	Tons	5,802,879	5,083,706	719,173	14%
Production	Tons	6,218,603	5,222,847	995,756	19%
<b>Ammonia</b>					
Sales	Tons	1,339,850	1,291,420	48,430	4%
Production - MPC	Tons	1,171,600	1,234,283	(62,683)	-5%
Production - MWSPC	Tons	1,170,277	1,027,247	143,030	14%
<b>Low grade bauxite</b>					

Sales	Tons	630,476	523,819	106,657	20%
Production	Tons	599,801	490,780	109,021	22%
<b>Caustic calcined\dead burned magnesia and monolithics</b>					
Sales	Tons	39,433	57,640	(18,207)	-32%
Production	Tons	31,018	64,437	(33,419)	-52%
<b>Kaolin</b>					
Sales	Tons	25	71	(46)	-65%
Production	Tons	154,221	148,283	5,938	4%
<b>Total Sales</b>	<b>Tons</b>	<b>7,812,663</b>	<b>6,956,656</b>	<b>856,007</b>	<b>12%</b>
<b>Total production</b>	<b>Tons</b>	<b>9,345,520</b>	<b>8,187,877</b>	<b>1,157,643</b>	<b>14%</b>
<b>Aluminum</b>					
<b>Primary aluminium</b>					
Sales					
Through MAC	Tons	149,321	141,046	8,275	6%
Through Ma'aden Corporate	Tons	446,326	420,730	25,596	6%
Production	Tons	1,010,564	966,749	43,815	5%
<b>Alumina</b>					
Sales	Tons	255,391	362,291	(106,900)	-30%
Production	Tons	1,799,586	1,798,340	1,246	-
<b>Can and autosheet</b>					
Sales	Tons	277,384	294,909	(17,525)	-6%
Production	Tons	303,129	295,562	7,567	3%
<b>Total Sales</b>	<b>Tons</b>	<b>1,128,422</b>	<b>1,218,976</b>	<b>(90,554)</b>	<b>-7%</b>
<b>Total production</b>	<b>Tons</b>	<b>3,113,279</b>	<b>3,060,651</b>	<b>52,628</b>	<b>2%</b>
<b>Gold and base metals</b>					
<b>Sales - Gold</b>	<b>Ounce</b>	<b>412,768</b>	394,117	<b>18,651</b>	<b>5%</b>
<b>Production - Gold</b>	<b>Ounce</b>	<b>408,831</b>	399,232	<b>9,599</b>	<b>2%</b>

21. Any inconsistency with the standards approved by the Saudi Organizations for Certified Public Accountant.

The consolidated annual financial statements of the Group and the stand alone annual financial statements of the Group's subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) and other standards and pronouncements that are issued by the Saudi Organization for Certified Public Accountants (SOCPA) as endorsed in the Kingdom of Saudi Arabia for financial reporting.

## 22. Name of each affiliate Company, its capital, the Company's ownership percentage, the main scope of business, country of operation and country of incorporation.

Name of the holding Company, subsidiaries or jointly controlled entities	Type of Company	Capital (SAR)	Ownership percentage		Main scope	Location
Saudi Arabian Mining Company (Ma’aden)	Joint stock Company	12,305,911,460	Public Investment Fund	67.18%	Various projects related to all stages of the mining industry	Riyadh
			Public	32.82%		
			Total	100%		
Wholly owned subsidiaries						
Ma’aden Gold and Base Metals Company	Limited liability Company	867,000,000	Ma’aden	100%	Gold Other products: Zinc, copper, silver and lead	Riyadh
Industrial Minerals Company	Limited liability Company	344,855,200	Ma’aden	100%	Low grade bauxite, Kaolin, caustic magnesia, caustic calcined magnesia and monolithic	Riyadh
Ma’aden Infrastructure Company	Limited liability Company	500,000	Ma’aden	100%	Infrastructure services	Riyadh
Ma’aden Marketing and Distribution Company	Limited liability Company	1,000,000	Ma’aden	100%	Selling chemical fertilizer, market research and surveys.	Riyadh
Ma’aden Fertilizer Company	Limited liability Company	1,000,000	Ma’aden	100%	Natural fertilizers, nitrogenous compounds, phosphate fertilizers, urea and natural phosphate and potassium salts.	Riyadh
Ma’aden Rolling Company	Limited liability Company	2,477,371,807	Ma’aden	100%	Flat rolled aluminum sheets	Riyadh
Other subsidiaries						
Ma’aden Aluminum Company	Limited liability Company	6,573,750,000	Ma’aden	74.9%	Primary aluminum products ie aluminum ingots, T-bars, slabs and billets	Ras Al-khair Industrial City
			Alcoa	25.1%		

Ma'aden Bauxite and Alumina Company	Limited liability Company	4,828,464,412	Ma'aden	74.9%	Bauxite and alumina	Ras Al-khair Industrial City
			AWA	25.1%		
Ma'aden Phosphate Company	Limited liability Company	6,208,480,000	Ma'aden	70%	Ammonia phosphate fertilizer and ammonia	Ras Al-khair Industrial City
			SABIC	30%		
Ma'aden Wa'ad Al Shamal Phosphate Company	Limited liability Company	7,942,501,875	Ma'aden	60%	Ammonia phosphate fertilizer and ammonia	Wa'ad Al-Shamal Industrial City
			Mosaic	25%		
			SABIC	15%		
<b>Jointly controlled entities</b>						
Sahara and Ma'aden Petrochemicals Company (SAMAPCO)	Limited liability Company	900,000,000	Ma'aden	50%	Ethylene dichloride, chlorine and caustic soda	Al-Jubail
			Sahara	50%		
Ma'aden Barrick Copper Company (MBCC)	Limited liability Company	404,965,292	Ma'aden	50%	Copper concentrate	Al-Madina
			Barrick	50%		

All the above-mentioned companies were incorporated in Saudi Arabia in accordance with the related laws, and operate in Saudi Arabia.

## 23. Details of shares and debt instruments issued for each affiliate Company.

Ma'aden Phosphate Company has a sukuk facility; as shown in paragraph 27 of this report, which is related to the detail of the Company's total debt.

## 24. A description of the dividends distribution policy.

In accordance with the provisions of the Company's Articles of Association (Article 44), the Company's annual net profit distribution policy shall be as follows:

1. Sparing (10 percent) of the net profit to form the statutory reserve of the Company. The Ordinary General Assembly may decide to discontinue such reserve when the said reserve reaches (30 percent) of the paid-up share capital.
2. The Ordinary General Assembly may, upon the proposal of the Board of Directors, spare a percentage of the annual profits to form a statutory reserve for a purpose or purposes determined by the General Assembly.
3. The Ordinary General Assembly may decide to form additional reserves, to serve the interest of the Company, or to ensure the distribution of fixed profits as much as possible to the shareholders. The Assembly may also to deduct from the net profits amounts to establish social institutions for the Company's employees or to help the existing ones.

4. Subject to the provisions stipulated in Article (20) of the Company's Articles of Association and Article (76) of the Corporate System; if the remuneration is a certain percentage of the Company's profits, this percentage should not exceed (10 percent) of the reserves determined by the General Assembly in application of the provisions of the Company's Articles of Association and the corporate system, and after the distribution of profits to shareholders (not less than 5 percent) of the paid up share capital, provided that the remuneration is commensurate with the number of meetings attended by the member and any appreciation that contradicts this is void.
5. The Ordinary General Assembly may, upon the proposal of the Board of Directors, decide to distribute the remaining amount (if any) to the shareholders as an additional share of the profits.

The Board of Directors recommended to the General Assembly not to distribute dividends for the year 2020. The Board decision was based on cash requirement for the Company's current and future projects.

## 25. A description of any interest in a class of voting shares held by persons (other than the Company's directors, senior executives and their relatives) who have notified the Company of their holdings pursuant to Article 45 of Listing Rules, together with any change to such interests during the last fiscal year.

The Company did not receive notification of any interests belonging to persons other than Board Members and Senior Executives in regards of shares eligible to vote, or a change in those rights during the year 2020. Members of the Board of Directors and the Executive Management disclose their memberships in other companies in accordance with the provisions of the relevant regulations.

## 26. A description of any interest, contractual securities or rights issue of the Board Members and senior executives and their relatives on shares or debt instruments of the Company or its affiliates, and any change on these interest or rights during the last fiscal year.

### Board of directors

Member's Name	Beginning of the year	Ownership percentage	End of the year	Ownership percentage	Net change during the year	Percentage change
HE. Yaser bin Othman Al-Rumayyan	-	-	-	-	-	-
Dr. Abdulaziz bin Saleh Al-Jarbou	2,500	0,00	2,500	0,00	-	-
HE. Suliman bin Abdulrahman Al-Gwaiz	-	-	-	-	-	-

HE. Eng. Khalid bin Saleh Al-Mudaifer	5,579	0,00	5,579	0,00	-	-
Dr. Mohammed bin Yahya Al-Qahtani	-	-	-	-	-	-
Mr. Richard O'Brien	-	-	-	-	-	-
Dr. Samuel Walsh	-	-	-	-	-	-
Dr. Ganesh Kishore	-	-	-	-	-	-
Mr. Abdullah bin Saleh bin Jum'ah	-	-	-	-	-	-
Eng. Nabila bint Mohammed Al-Tunisi	-	-	-	-	-	-
Eng. Mosaed bin Sulaiman Al Ohali	543	0,00	543	0,00	-	-
HE. Eng. Abdallah bin Ibrahim Al-Saadani	-	-	-	-	-	-
Dr. Klaus Kleinfeld	-	-	-	-	-	-
Eng. Abdullah bin Mohammed Al-Issa	100	0,00	100	0,00	-	-
Ms. Lubna bint Suliman Al-Olayan	-	-	-	-	-	-

#### Executive Management

Name	Beginning of the year	Ownership percentage	End of the year	Ownership percentage	Net change during the year	Percentage change
Eng. Mosaed bin Sulaiman Al Ohali*	543	0,00	543	0,00	-	-
Mr. Darren Christopher Davis**	-	-	-	-	-	-
Mr. Khaled AlKhataf	3,000	0,00	3,000	0,00	-	-
Eng. Riyadh Bin Saad Al-Nassar	-	-	-	-	-	-
Eng. Abdulaziz bin Asker Al-Harbi	-	-	-	-	-	-
Mr. Ibrahim bin Mohammed AlAmer						
Eng. Hassan bin Madani AlAli	-	-	-	-	-	-
Mr. David Schumer	-	-	-	-	-	-
Eng. Khalid bin Suliman AlOhali	-	-	-	-	-	-

\*Joined Maaden on 1April 2020

\*\*Resigned from the Company on 31 March 2021

**27. Information on any loans (payable upon request or not), a statement of the total indebtedness of the Company and its affiliates, any amounts paid by the Company in repayments of loans during the year, the amount of the principal debts, the creditor name, the loan term and remaining amount. In case there is no debts, a declaration thereof shall be presented.**

Borrowing Company	Financing Entity	Loan Term	Loan Commitment Amount	Drawdown	Repayment	Balance at year end
Saudi Arabian Mining Company (Ma'aden)	Syndicated Revolving Facility	5 years	7,500*	-	-	-
Ma'aden Gold and base metals Company	Saudi Industrial Development Fund – As Suq	8 years	179	-	28	68
	Saudi Industrial Development Fund – Ad Duwayhi	9 years	1,200	-	170	590
	<b>Subtotal</b>		<b>1,379</b>	<b>-</b>	<b>198</b>	<b>658</b>
Ma'aden Infrastructure Company	Saudi Riyal Murabaha Facility	10 years	1,000	-	78	649
Ma'aden Phosphate Company	USD Murabaha Facility	7 years	3,188	-	319	1,913
	Saudi Riyal Murabaha Facility	7 years	8,306	-	419	2,513
	Sukuk	7 years	3,500	-	-	3,500
	Working Capital Facility Murabaha	5 years	500*	-	-	-
	<b>Subtotal</b>		<b>14,994</b>	<b>-</b>	<b>738</b>	<b>7,926</b>
Ma'aden Aluminum Company	Public Investment Fund	14 years	4,275	-	-	4,275
	Saudi Riyal Murabaha Facility	10 years	5,179	-	-	5,179
	USD Conventional Facility	7 years	1,504	-	-	1,504
	<b>Subtotal</b>		<b>10,958</b>	<b>-</b>	<b>-</b>	<b>10,958</b>
Ma'aden Rolling Company						
	Saudi Industrial Development Fund	9 years	600	-	50	225
	Saudi Riyal Murabaha Facility	12 years	1,313	-	-	1,313
	<b>Subtotal</b>		<b>1,913</b>	<b>-</b>	<b>50</b>	<b>1,538</b>
Ma'aden Bauxit and Alumina Company						
	Public Investment Fund	13 years	3,506	-	141	3,291
	Saudi Riyal Murabaha Facility – A	10 years	2,370	-	88	2,238
	Saudi Riyal Murabaha Facility – B	13 years	1,655	-	41	1,590
	Saudi Riyal Wakala Facility	13 years	220	-	6	211
	Working Capital Facility Murabaha	5 years	750*	-	-	347
	<b>Subtotal</b>		<b>8,501</b>	<b>-</b>	<b>276</b>	<b>7,677</b>
Ma'aden Wa'ad Al-Shamal Phosphate Company**	Murabaha SAR	15 years	6,808	-	-	6,808
	Saudi Riyal Wakala Facility	15 years	1,900	-	-	1,900



Borrowing Company	Financing Entity	Loan Term	Loan Commitment Amount	Drawdown	Repayment	Balance at year end
	Saudi Industrial Development Fund	13 years	4,000	-	-	3,795
	Public Pension Agency	15 years	6,600	-	-	6,600
	<b>Subtotal</b>		<b>19,308</b>	<b>-</b>	<b>-</b>	<b>19,103</b>
<b>Meridian Consolidated Investments Limited***</b>	Commercial banks and Bank overdraft and other facilities	3 years	-	-	107	300
<b>Grand Total</b>			<b>65,553</b>	<b>-</b>	<b>1,447</b>	<b>48,809</b>

\*The Working Capital Facilities were not added to the total amount unless there were drawdowns from the facilities and only the drawdown amount will be added to the total debt till.

\*\*Ma'aden Wa'ad Al Shamal Phosphate Company has signed agreements in 2020-06-20 Corresponding to 1441-10-28: (i) to reschedule its indebtedness owed to the Public Investment Fund and transfer such indebtedness to the Public Pension Agency, and (ii) to refinance its indebtedness owed to a syndicate of commercial banks and other financial institutions using the proceeds of new indebtedness provided by a syndicate of commercial banks. The total value of financing SR15.3 billion. The value of refinancing is SR 8.6 billion, and the rescheduled amount is SR 6.7 billion.

\*\*\* A company in which Ma'aden Marketing and Distribution Company has stakes in.

Maturity date of long-term loans*	31 December 2020	31 December 2019
2020	-	2,436,219,781
2021	2,977,199,180	3,814,100,886
2022	3,772,492,174	4,546,568,895
2023	4,525,033,216	5,483,265,997
2024	2,979,861,414	4,043,276,958
2025	6,061,304,024	2,490,663,543
2026 through 2035	28,492,501,765	27,440,981,001
<b>Total</b>	<b>48,808,391,773</b>	<b>50,255,077,061</b>

\*The maturity of long-term loans may change based on loans refinancing / restructuring.

**28. A description of the class and number of any convertible debt instruments, contractual securities, preemptive right or similar rights issued or granted by the Company during the fiscal year, as well as stating any compensation obtained by the Company in this regard.**

No convertible debt instruments, contractual securities, preemptive right or similar rights were issued or granted by the Company during the year.

## 29. A description of any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the Company.

The Company and its subsidiaries have not made any conversion or subscription rights under any convertible debt instruments, contractually based securities, warrants or similar rights issued or granted by the company during the year.

## 30. Description of any redemption, purchase or cancellation by the Company of any redeemable debt instruments and the value of such securities outstanding, distinguishing between those listed securities purchased by the Company and those purchased by its affiliates.

The Company and its subsidiaries have not made any recovery, purchase or cancellation of any redeemable debt instruments during the year.

## 31. The number of Board meetings held during the last financial year, their dates and the attendance record of each meeting listing the names of the attendees.

Member's Name	Period	1	2	3	4	5	6
		30/01/2020	15/03/2020	22/06/2020	13/09/2020	25/10/2020	17/12/2020
HE. Yaser bin Othman Al-Rumayyan	Current & Previous	✓	✓	✓	✓	✓	✓
Dr. Abdulaziz bin Saleh Al-Jarbou	Current					✓	✓
HE. Suliman bin Abdulrahman Al-Gwaiz	Current & Previous	✓	✓	✓	✓	✓	✓
HE. Eng. Khalid bin Saleh Al-Mudaifer	Current & Previous	✓	✓	✓	✓	✓	✓
Dr. Mohammed bin Yahya Al-Qahtani	Current					✓	✓
Mr. Richard O'Brien	Current & Previous	✓	✓	✓	✓	✓	✓

Member's Name	Period	1	2	3	4	5	6
		30/01/2020	15/03/2020	22/06/2020	13/09/2020	25/10/2020	17/12/2020
Dr. Samuel Walsh	Current					✓	✓
Dr. Ganesh Kishore	Current					✓	✓
Mr. Abdullah bin Saleh bin Jum'ah	Current & Previous	✓	-	✓	✓	✓	✓
Eng. Nabila bint Mohammed Al-Tunisi	Current					✓	✓
Eng. Mosaed bin Sulaiman Al Ohali	Current & Previous			✓	✓	✓	✓
HE. Eng. Abdallah bin Ibrahim Al-Saadon	Previous	✓	✓	✓	✓		
Dr. Klaus Kleinfeld	Previous	✓	✓	✓	✓		
Eng. Abdullah bin Mohammed Al-Issa	Previous	✓	✓	✓	✓		
Ms. Lubna bint Suliman Al-Olayan	Previous	✓	✓	✓	✓		

### 32. Numbers of Company's requests of shareholders records, dates and reasons thereof.

Date	Request reason.
15 March 2020	Business Needs
22 October 2020	Business Needs
31 December 2020	Business Needs

### 33. A description of any transaction between the Company and any related party.

According to the information available to the Company, there are no significant transactions concluded by the Company with parties related to the violation of the provisions of the Company's Articles of Association, the Companies Law, the Capital Market law and its regulations.

Types of transactions (SAR million)	Year ended 31 December 2020	Year ended 31 December 2019
Sales of MAC to Alcoa Inespal, S.A., in accordance with a shareholders off-take agreement, during the year	943,449,656	957,813,474
Sales of MPC through SABIC, in accordance with a marketing agreement, during the year	1,267,745,958	1,248,751,783
Sales of MWSPC through SABIC, in accordance with a marketing agreement, during the year	437,335,391	463,483,647
Sales of MWSPC through The Mosaic Company, in accordance with a marketing agreement, during the year	750,860,049	721,644,368
Cost of seconded employees, technology fee and other cost paid to Alcoa Corporation during the year	27,137,505	46,479,947
Cost of seconded employees, technology fee and other cost paid to The Mosaic Company during the year	45,255,332	86,141,068
Purchase of raw material supplies from Saudi Aramco by:		
MPC	300,929,326	-
MWSPC	292,675,361	-

**34. Information relating to any business or contract to which the Company is a party and in which a director of the Company, a senior executive or any person related to any of them is or was interested, including the names of persons in relation, the nature, conditions, durations and the amount of the business or contract. If there are no such businesses or contracts, the Company must submit a statement thereof.**

According to the best information available to the Company, there are no substantial business or contracts that the Company was a party to, and in which there was an interest for one of the members of the Company's Board of Directors or for the CEO, the CFO, or any person related to any of them.

The Company has disclosed the membership of:

- His Excellency Mr. Yasser bin Othman Al-Rumayyan, who is Chairman of the Board of Directors of Saudi Aramco and Governor of the Public Investment Fund.
- Dr. Mohammad bin Yahya Al-Qahtani, who is the Senior Vice President for Refining, Processing and Marketing at Saudi Aramco.
- Mr. Abdullah bin Saleh bin Jum'ah, who is the Chairman of the Board of Directors of the Saudi Investment Bank.
- Eng. Abdullah bin Mohammed Alissa, who is the Chairman of the Board of Directors of Riyadh Bank.

- Mrs. Lubna bint Suliman AlOlyan, who is the Chairperson of the Board of Directors of the Saudi British Bank.

### 35. A description of any arrangement or agreement under which a director or a senior executive of the Company has waived any remuneration.

No member of the Board of Directors or senior executives of the Company has made any waiver of any remuneration.

### 36. A description of any arrangement or agreement under which a shareholder of the Company has waived any rights to dividends.

No shareholder of the Company has waived any rights to dividends.

### 37. A statement of the value of any paid and outstanding statutory payment on account of any zakat, taxes, fees or any other charges that have not been paid until the end of the annual financial period with a brief description and the reasons therefor.

	2020	2019	Change	Change Percentage
	(SAR)	(SAR)		
Severance fees payable	210,793,374	124,505,948	86,287,426	69%
Zakat and income tax payable	204,503,523	267,369,819	(62,866,296)	-24%
Withholding tax payable on contracts	5,118,231	11,734,939	(6,616,708)	-56%
Social Insurance	18,146,137	17,688,681	457,456	3%
<b>Total</b>	<b>438,561,265</b>	<b>421,299,387</b>	<b>17,261,878</b>	<b>4%</b>

### 38. A statement as to the value of any investments made or any reserves set up for the benefit of the employees of the Company.

#### Ownership houses program

Ma'aden pursue help from Financial Institutions to implement the home ownership program for Saudi employees by securing housing loans in accordance with its policies, in order to preserve the distinguished employees, Ma'aden bears the cost of financing for the qualified employees, while the employee bears the principal of the loan, and the balance of the interest amount that the Company bears in 31 December 2020 amounted to SAR 12,276,134.22

The Company also built housing units to give it to Saudi employees working in the city of Ras Al-Khair for Mining Industries, provided that the cost of the housing unit is paid in monthly payments, and the balance as on 31 December 2020 amounted to SAR 1,152,262,552.97 Ma'aden also provides, according to its policies, a fixed loan for the purpose of supporting home furnishing for the qualified employees, and as of 31 December 2019 the balance amounted to SAR 25,846,026.00 million.

### **Saving program**

Ma'aden continued the "savings" program for the Saudi employees of the Company, so that the employee contributes a fixed share of his monthly salary, and the Company contributes a proportional share for the employee's interest, and the total amount invested for the employee is by certain conditions compatible with the provisions of Islamic Sharia, and the total investor has reached SAR 120,786,792.99

### **39. The Board of Directors Declarations:**

- proper books of account have been maintained;
- the system of internal control is sound in design and has been effectively implemented; and
- there are no significant doubts concerning the Company's ability to continue its activity.

### **40. If the external auditor's report contains reservations on the annual financial statements, the Board report shall highlight this mentioning the reasons and any relevant information.**

The external auditor's report on the consolidated annual financial statements of Saudi Arabian Mining Company (Ma'aden) contains no reservation or modification and is a clean audit report.

### **41. If the Board recommended replacing the external auditor before the end of its term, the report shall indicate this mentioning the reasons for the replacement recommendation.**

The Board of Directors did not recommend replacing the external auditor.