

## Policies, standards and procedures for membership in the Board of Directors of Anaam International Holding Group

(Comparison)

### Current Text

#### Introduction:

Policies, standards and procedures for membership in the Board of Directors of Anaam International Holding Group have been prepared in implementation of the provisions of Paragraph (3) of Article (22) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-6-2017) dated 5/16. / 1438 AH corresponding to 02/13/2017 AD, which stipulated that the Board of Directors should prepare clear and specific policies, standards and procedures for membership in the Board in a way that does not conflict with the mandatory provisions in the Governance Regulations and put them into effect after their approval by the General Assembly, noting that these special policies, standards and procedures Membership in the Board of Directors is based on the companies' system, governance regulations, and the company's bylaws.

#### **First: Policies and standards for membership in the company's Board of Directors:**

1. The candidate for membership in the Board of Directors must not have been previously convicted of a crime prejudicial to honor or trust, and must not be insolvent, bankrupt, or otherwise unfit for membership in the Board in accordance with any system or instructions in force in the Kingdom.
2. The member of the Board of Directors shall not hold membership in more than five joint stock companies listed on the financial market at the same time.
3. The candidate must not be a government employee.
4. The candidate must be professionally competent and possess the necessary experience, knowledge, skill and independence to enable him to carry out his duties efficiently and competently.
5. The candidate must have the ability to lead and have leadership skills that qualify him to be granted powers

### New Text

#### Introduction :

Policies, standards and procedures for membership in the Board of Directors of Anaam International Holding Group have been prepared with the aim of complying with Paragraph (3) of Article (21) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-6-2017) dated 16/5/1438 AH corresponding to 2/13/2017 AD amended by Capital Market Authority Board Resolution No. 8-5-2023 dated 6/25/1444 AH corresponding to 1/18/2023 AD, which stipulated that the Board of Directors (the Board) shall prepare clear and specific policies, standards and procedures for membership. In the Board in a manner that does not conflict with the mandatory provisions in the Governance Regulations and putting them into effect after the General Assembly approves them.

#### **First: Policies and standards for membership in the company's Board of Directors:**

1. The candidate for membership in the Board of Directors must not have been previously convicted of a crime prejudicial to honor or trust, and must not be insolvent, bankrupt, or otherwise unfit for membership in the Board in accordance with any system or instructions in force in the Kingdom.
2. The member of the Board of Directors shall not hold membership in more than five joint stock companies listed on the financial market at the same time.
3. The candidate must not be a government employee.
4. The candidate must be professionally competent and possess the necessary experience, knowledge, skill and independence to enable him to carry out his duties efficiently and competently.

in a way that leads to stimulating performance, applying best practices in the field of effective management, and adhering to professional values and ethics .

6. The candidate must be competent, that is, he must have the appropriate academic qualifications, professional and personal skills, the level of training and practical experiences related to the company's activities, and he must have appropriate knowledge of management, economics, accounting, law and governance, and he must have a constant desire for learning and training.

7. The candidate must have the ability to direct, by having technical leadership and administrative capabilities, speed in decision-making, understanding of technical requirements related to the workflow, and the ability to plan and have a sound future vision.

8. The candidate must have financial knowledge and be able to read and understand financial statements and reports.

9. The candidate must be physically fit and not have a health problem that would prevent him from carrying out his duties and specializations

10. The candidate must have the ability to communicate effectively and think strategically.

11. Commitment to honesty, honesty, loyalty, and concern for the interests of the company and its shareholders and prioritizing them over his personal interests. Honesty means that the board member's relationship with the company is an honest, professional relationship, and disclosure to the company of any influential information before executing any deal or contract with the company or one of its subsidiaries, while avoiding transactions that involve Conflicts of interest, while verifying the fairness of dealing and taking into account the provisions regarding conflicts of interest contained in the Governance Regulations, and taking care and attention to performing the duties and responsibilities stipulated in accordance with the company's bylaws, the Capital Market Authority's bylaws, the company's bylaws, and other relevant regulations

12. Taking into account diversity in practical qualifications and scientific experience and giving priority in nomination to the needs required of those with the appropriate skills for Board membership.

13. The number of independent members shall not be less than two members or one-third of the Board members, whichever is greater.

5. The candidate must have the ability to lead and have leadership skills that qualify him to be granted powers in a way that leads to stimulating performance, applying best practices in the field of effective management, and adhering to professional values and ethics.

6. The candidate must be competent, that is, he must have the appropriate academic qualifications, professional and personal skills, the level of training and practical experiences related to the company's activities, and he must have appropriate knowledge of management, economics, accounting, law and governance, and he must have a constant desire for learning and training.

7. The candidate must have the ability to direct, by having technical leadership and administrative capabilities, speed in decision-making, understanding of technical requirements related to the workflow, and the ability to plan and have a sound future vision.

8. The candidate must have financial knowledge and be able to read and understand financial statements and reports.

9. The candidate must be physically fit and not have a health problem that would prevent him from carrying out his duties and specializations.

10. The candidate must have the ability to communicate effectively and think strategically.

11. Commitment to honesty, honesty, loyalty, and concern for the interests of the company and its shareholders and prioritizing them over his personal interests. Honesty means that the board member's relationship with the company is an honest, professional relationship, and disclosure to the company of any influential information before executing any deal or contract with the company or one of its subsidiaries, while avoiding transactions that involve Conflicts of interest, while ensuring fair dealing and taking into account the provisions regarding conflicts of interest contained in the Governance Regulations, and care and attention should be given to performing the duties and responsibilities stipulated in accordance with the company's bylaws, the Capital Market Authority's bylaws, the company's bylaws, and other relevant regulations.

12. Taking into account diversity in practical qualifications and scientific experience and giving priority in nomination to the needs required of those with the appropriate skills for Board membership.

14. The independent member must enjoy complete independence in his position and decisions, and none of the symptoms of independence stipulated in Article 20 of the Governance Regulations apply to him.

15. The board member must represent all shareholders and be committed to what is in the interest of the company in general and not what is in the interests of the group he represents or that voted for his appointment to the board.

16. The General Assembly may, based on a recommendation from the Board, terminate the membership of any member who fails to attend three consecutive Board meetings without a legitimate excuse.

17. If the position of one of the Board members becomes vacant during the term of membership, the Board has the right to appoint a temporary member in the vacant position, provided that he is one of those with experience and competence, and the appointment is presented to the Ordinary General Assembly at its first meeting for approval, and the new member completes the term of his predecessor, in light of What is stated in the company's bylaws.

### **Second: Procedures for membership in the company's board of directors:**

1. The Remuneration and Nominations Committee, in coordination with the company's executive management, shall announce the opening of nominations for board membership in accordance with the Companies Law, the Governance Regulations, and the instructions of the Capital Market Authority.

2. Every shareholder has the right to nominate himself or one or more other persons for membership in the Board within the limits of his ownership percentage in the capital.

3. Anyone who wishes to nominate himself for membership in the Board must announce his desire in accordance with a notification to the company's management in accordance with the periods and dates stipulated in the applicable laws, regulations, instructions and decisions. This notification must include an introduction to the candidate in terms of his

13. The number of independent members shall not be less than two members or one-third of the Board members, whichever is greater.

14. The independent member must enjoy complete independence in his position and decisions, and none of the symptoms of independence stipulated in the governance regulations issued by the Capital Market Authority apply to him.

15. The board member must represent all shareholders and be committed to what is in the interest of the company in general and not what is in the interests of the group he represents or that voted for his appointment to the board.

16. The membership of a Board member shall end at the end of the Board's term, or by submitting his resignation, death, or removal by decision of the General Assembly, or by his conviction for any crime against honor or trust, or by his bankruptcy or insolvency, or if he becomes unfit for Board membership in accordance with any laws, regulations, or instructions in force in the Kingdom. .

17. The Board member must resign before the end of his term in the Board in the event that he loses his eligibility to work as a Board member, or is unable to perform his duties or is unable to allocate the time or effort necessary to perform his responsibilities in the Council. However, in the event of a conflict of interest, the member shall have the option to obtain He must obtain a license from the General Assembly, which must be renewed every year or submit his resignation.

### **Second: Procedures for membership in the company's board of directors**

1. The Remuneration and Nominations Committee, in coordination with the company's executive management, shall announce the opening of nominations for board membership in accordance with the Companies Law, the Governance Regulations, and the instructions of the Capital Market Authority, at least sixty (60) days before the end of the board session, provided that the nomination door remains open for 30 days at least. Less than the date of announcement.

2. Every shareholder has the right to nominate himself or one or more other persons for membership in the Board of Directors.

3. Anyone who wishes to nominate himself for membership in the Board must announce his desire in



CV, qualifications and practical experience, as well as filling out the form or forms issued by the Market Authority. Finance.

4. Anyone who wishes to nominate himself for membership in the Board must disclose to the Board and the General Assembly any cases of conflict of interest that include the presence of a direct or indirect interest in the business and contracts conducted on behalf of the company for which he wishes to run for the Board of Directors or his participation in work that would compete with the company. Or compete with it in one of the branches of activity it practices.

5. A candidate who previously served as a member of the board of a joint stock company must state the number and date of the boards of directors of the companies of which he served.

6. The candidate who previously served as a member of the Board of Directors of Anaam International Holding Group must attach to the nomination notification a statement from the company's management about the last session in which he held membership in the Board, including the following information:

a. The number of council meetings held during each year of the session.

B. The number of meetings that the member attended in person, and the percentage of his attendance to the total number of meetings.

C - The permanent committees in which the member participated, the number of meetings held by each of those committees during each year of the session, the number of meetings he attended, and the percentage of his attendance to the total number of meetings.

7. The membership status must be clarified, i.e. whether the member is an executive member, a non-executive member, or an independent member.

8. The membership status must be clarified, i.e. whether the member is running in his personal capacity or whether he is a representative of a legal person.

accordance with a notification to the company's management in accordance with the periods and dates stipulated in the applicable laws, regulations, instructions and decisions. This notification must include an introduction to the candidate in Arabic and English in terms of his CV, qualifications and practical experience, in addition to providing the company with all documents. Identification documents such as (national ID card, family card, passport for non-Saudis, and any other relevant documents required by the company to meet the regulatory requirements, and also filling out the form or forms issued by the Capital Market Authority.

4. Anyone who wishes to nominate himself for membership in the Board must disclose to the Board and the General Assembly any cases of conflict of interest that include the presence of a direct or indirect interest in the business and contracts conducted on behalf of the company for which he wishes to run for the Board of Directors or his participation in work that would compete with the company. Or compete with it in one of the branches of activity it practices.

5. A candidate who previously served as a member of the board of a joint stock company must state the number and date of the boards of directors of the companies of which he served.

6. The candidate who previously served as a member of the Board of Directors of Anaam International Holding Group must attach to the nomination notification a statement from the company's management about the last session in which he held membership in the Board, including the following information:

a. The number of Board meetings held during each year of the session.

B. The number of meetings that the member attended in person, and the percentage of his attendance to the total number of meetings.

C - The permanent committees in which the member participated, the number of meetings held by each of those committees during each year of the session, the number of meetings he attended, and the percentage of his attendance to the total number of meetings.

7. The membership status must be clarified, i.e. whether the member is an executive member, a non-executive member, or an independent member.

8. The membership status must be clarified, i.e. whether the member is running in his personal capacity or whether he is a representative of a legal person.

9. The Remuneration and Nominations Committee, in coordination with the company's management, shall provide the Capital Market Authority with the CVs of the candidates for board membership according to the form prepared for that purpose, in addition to any copies of the nomination notifications and their attachments

10. The Remuneration and Nominations Committee must implement any comments received from the competent authorities regarding any candidate.

11. Voting in the General Assembly is limited to those who nominated themselves in accordance with the aforementioned policies, standards and procedures.

12. Voting on the selection of members of the Board of Directors is done through the cumulative voting method.

13. After the General Assembly elects the members of the Board from among the candidates and in accordance with the aforementioned policies, standards and procedures, the Board meets and selects the Chairman of the Board, the Vice-Chairman and the committees.

14. Board membership ends at the end of the term prescribed for it, which is three years from the beginning of its session.

15. The membership of a Board member shall terminate in accordance with any law or instructions in force in the Kingdom or due to death or resignation or if he is convicted of a crime prejudicial to honor and honesty. However, the Ordinary General Assembly may at any time dismiss all or some of the Board members without prejudice to the right of the dismissed member towards the company. By demanding compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. The board member may resign on the condition that this is at an appropriate time, otherwise he will be responsible before the company for the damages resulting from his resignation.

16. The General Assembly may, based on a recommendation from the Board, terminate the membership of any member who fails to attend three consecutive Board meetings without a legitimate excuse.

9. The Remuneration and Nominations Committee, in coordination with the company's management, shall provide the Capital Market Authority with the CVs of the candidates for board membership according to the form prepared for that purpose, in addition to any copies of the nomination notifications and their attachments.

10. The Remuneration and Nominations Committee must implement any comments received from the competent authorities regarding any candidate.

11. Voting in the General Assembly is limited to those who nominated themselves in accordance with the aforementioned policies, standards and procedures.

12. Voting on the selection of members of the Board of Directors is done through the cumulative voting method.

13. After the General Assembly elects the members of the Board from among the candidates and in accordance with the aforementioned policies, standards and procedures, the Board meets and selects the Chairman of the Board, the Vice-Chairman, the committees and the Secretary.

14. Board membership expires at the end of its prescribed term, which is four years from the beginning of its session.

15. The membership of a Board member shall terminate in accordance with any law or instructions in force in the Kingdom or due to death or resignation or if he is convicted of a crime prejudicial to honor and honesty. However, the Ordinary General Assembly may at any time dismiss all or some of the Board members without prejudice to the right of the dismissed member towards the company. By demanding compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. The board member may resign on the condition that this is at an appropriate time, otherwise he will be responsible before the company for the damages resulting from his resignation.

16. The General Assembly may, based on a recommendation from the Board, terminate the membership of any member who fails to attend three consecutive Board meetings or five separate meetings during his term of membership in the Board without a legitimate excuse accepted by the Board of Directors.

17. If the position of one of the Board members becomes vacant during the term of membership, the Board has the right to appoint a temporary member in the vacant position, provided that he is one of those with experience and competence, and the appointment is presented to the Ordinary General Assembly at its first meeting for approval, and the new member completes the term of his

17. If the position of one of the Board members becomes vacant during the term of membership, the Board has the right to appoint a temporary member in the vacant position, provided that he is one of those with experience and competence, and the appointment is presented to the Ordinary General Assembly at its first meeting for approval, and the new member completes the term of his predecessor, in light of What is stated in the company's bylaws.

**General Provisions :**

The above policy shall be implemented and adhered to by the company as of the date of its approval by the General Assembly of Shareholders. It must also be published on the company's website to enable shareholders, the public and stakeholders to view it, and the content of the regulation shall be reviewed as needed based on the recommendation of the Board of Directors at The amendments shall be submitted to the General Assembly of Shareholders for approval at its nearest meeting.

predecessor, in light of What is stated in the company's bylaws.

18. The Board of Directors must, before the end of its term, convene the General Assembly to elect a Board of Directors for a new term. If it is not possible to hold elections and the term of the current Board term has ended, its members will continue to perform their duties until a board of directors is elected for a new term, provided that the term of office for the members of the Board whose term has ended does not exceed (90) days from the date of the end of the Board term.

19. If the Chairman and members of the Board of Directors retire, they must convene the General Assembly to convene to elect a new Board of Directors. The retirement shall not take effect until the new Board is elected, provided that the duration of the retiring Board shall not exceed (120) days from the date of that retirement.

20. A member of the Board of Directors may retire from membership of the Board pursuant to a written notification addressed to the Chairman of the Board. If the Chairman of the Board retires, the notification must be directed to the remaining members of the Board and the Secretary of the Board. Retirement shall be effective in both cases from the date specified in the notification.

21. If the necessary conditions are not met for the Board of Directors to convene due to the number of its members being less than the minimum stipulated in the company's bylaws, the remaining members must invite the General Assembly to convene within (60) days to elect the necessary number of members.

**General Provisions :**

The above policy shall be implemented and adhered to by the company as of the date of its approval by the General Assembly of Shareholders. It must also be published on the company's website to enable shareholders, the public and stakeholders to view it, and the content of the regulation shall be reviewed as needed based on the recommendation of the Board of Directors at The amendments shall be submitted to the General Assembly of Shareholders for approval at its nearest meeting.



**Policies, standards and procedures for membership of the  
Board of Directors  
Anaam International Holding Group Company**

**Introduction :**

Policies, standards and procedures for membership of the Board of Directors of Anaam International Holding Group have been prepared in accordance with the provisions of Paragraph (3) of Article (22) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (6-8-2017) dated 16/5/1438 AH corresponding to 13/02/2017 AD, which stipulates that the Board of Directors prepare policies Clear and specific criteria and procedures for membership in the Board, in a manner that does not conflict with the mandatory provisions in the Governance Regulations, and put them into practice after their approval by the General BaThese policies, standards and procedures for ّAssembly. , note membership of the Board of Directors are based on the Companies Law, the Corporate Governance Regulations and the Company's Articles of Association.

**First: Policies and Standards for Membership in McFor company management:**

1. The candidate for membership of the Board of Directors should not have been previously convicted of a crime involving moral turpitude and dishonesty, and should not be insolvent. ّ or broke ّ or became unfit for membership of the Council in accordance with ّ For any system or instructions in force in the Kingdom.



2. A member of the Board of Directors shall not be a member of more than five joint stock companies listed on the financial market at the same time.
3. Is the candidate not an employee? ٥٥ gov٥٥.
4. The candidate should be of professional competence who possesses the experience, knowledge, skill and independence necessary to enable him to perform his duties efficiently and competently..
5. The candidate should have the ability to lead and have leadership skills that qualify him to grant powers in a way that leads to motivating performance and applying aBest practices in the field of effective management and adherence to professional values and ethics.
6. The candidate should be competent , That is, he should have the appropriate academic qualifications, professional and personal skills, level of training and practical experience relevant to the company's activities andaTo have a suitable knowledge of management, economics, accounting, law and governance, and to have a permanent desire to learn and train.
7. The candidate should have the ability to directaIt has leadership and administrative technical capabilities, speed in decision-making, assimilation of technical requirements related to workflow, the ability to plan and a sound future vision..
8. The candidate should have financial knowledge andan be able٥٥ To read and understand financial statements and reports.
9. The candidate should be in good health, without a health obstacle that would hinder him from carrying out his duties and competencies .
10. The candidate should have the ability to communicate effectively and think strategically.
11. Commitment to honesty, honesty, loyalty and concern for the interests of the company and its shareholders and prioritizing them over his personal interestaThe board member's relationship with the company shall be a sincere professional





relationship, and the company shall disclose any influential information before executing any deal or contract with the company or one of its subsidiaries, while avoiding transactions that involve a conflict of interest, while verifying the fairness of dealing and observing the provisions relating to conflict of interest contained in the Regulations. Governance, and care and attention is given to the performance of the duties and responsibilities set forth in the company's system, the Capital Market Authority system, the company's articles of association and other relevant regulations.

12. Taking into account diversity in practical qualification and scientific experience and giving priority in nomination to the needs required of aThose with the right skills for a membershipThe council.
13. The number of independent members shall not be less than two or a third aCouncil members ait matter acrich .
14. The independent member must enjoy complete independence in his position and decisions, and none of the symptoms of independence stipulated in Article 20 of the Governance Regulations shall apply to him.
15. The board member represents all shareholders andaWe shall abide by what achieves the interest of the company in general and not what achieves the interests of the group he represents or that voted on his appointment to the board.
16. The membership of a council member ends with his resignation, death, or dismissal by a decision of the General Assembly, or his conviction of any crime involving moral turpitude or dishonesty, his bankruptcy or insolvency, or if aSobh is not valid for council membership according to any aLaws, regulations or instructions in force in the Kingdom.
17. A board member must resign before the end of his term in the board in the event he loses his eligibility to serve as a board member, is unable to carry out his business or is unable to allocate time or effort.toHe is required to fulfill his



responsibilities in the Council, In the event of a conflict of interest, the member has the option to obtain a license from the General Assembly, to be renewed every year, or to submit his resignation.

**Second: Procedures for Membership of the Board of Directors :**

1. The Remuneration and Nomination Committee, in coordination with the company's executive management, announces the opening of nominations for membership of the Board in accordance with the Companies Law, the Corporate Governance Regulations and the instructions of the Capital Market Authority.
2. Each shareholder has the right to nominate himself or one or more other persons for membership in the Board, within the limits of his ownership percentage in the capital.
3. Whoever wishes to nominate himself for membership of the Board must announce his desire by a notification to the company's management according to the periods and dates stipulated in the laws, regulations, instructions and decisions in force, and this notification must include an introduction to the matter.uH in terms of his CV, qualifications and practical experience, as well as filling out the form or forms issued by the Capital Market Authority.
4. Those who wish to nominate themselves for membership in the Council aHe shall disclose to the Board and the General Assembly any cases of conflict of interest that include the existence of a direct or indirect interest in the business and contracts that are made for the account of the company that he wishes to run for its board of directors or his participation in a work that would compete with the company or its competitors in one of the branches of the activity he is engaged.
5. The candidate who has previously served as a member of the board of a joint stock company must indicate the number and



- date of the boards of directors of the companies he has been a member of.
6. The candidate who has previously served as a member of the board of directors of the Anaam International Holding Group Company must attach to the nomination notification a statement from the company's management about the last term in which he became a member of the board, including the following information:
    - a. The number of council meetings that took place during each year of the session.
    - b. The number of meetings that the member originally attended, and the percentage of his attendance to the total meetings.
    - c. The standing committees in which the member participated, the number of meetings held by each of those committees during each year of the session, the number of meetings attended, and the ratio of his attendance to the total meetings.
  7. The capacity of the membership must be clarified, i.e. whether the member is an executive member, a non-executive member or an independent member.
  8. The membership status must be clarified, i.e. whether the member is a candidate in his personal capacity or is a representative of a legal person.
  9. The Remuneration and Nomination Committee, in coordination with the company's management, shall provide the Capital Market Authority with the CVs of the candidates for the membership of the Board according to the form prepared for this, in addition to any copies of the nomination notifications and their attachments..
  10. The Remuneration and Nomination Committee shall implement any comments received from the competent authorities regarding any candidate.



11. Voting in the General Assembly is limited to those who have nominated themselves in accordance with the aforementioned policies, criteria and procedures.
12. Voting on the selection of members of the Board of Directors is carried out through the cumulative voting method.
13. After the general assembly elects the members of the council from among the candidates and in accordance with the aforementioned policies, standards and procedures, the council meets and selects the council president, vice president and committees.
14. The membership of the Council shall expire upon the expiry of its prescribed term of three years from the beginning of its term.
15. The membership of a board member shall terminate in accordance with any system or instructions in force in the Kingdom, or due to death or resignation, or if he is convicted of a crime that violates honor and trust. However, the ordinary general assembly may at any time dismiss all or some of the members of the board without prejudice to the right of the dismissed member towards the company to claim compensation. If the dismissal takes place for an unacceptable reason or at an inappropriate time, the member of the Board may resign, provided that this is at an appropriate time, otherwise he shall be liable before the company for the damages resulting from the dismissal.
16. The General Assembly may, upon the recommendation of the Board, terminate the membership of a member who has been absent from three consecutive meetings of the Board without a legitimate excuse.
17. If the position of a member of the Council becomes vacant during the term of membership, the Council shall have the right to appoint a temporary member in the vacant position. Provided that he is one of those who have experience and competence and that the appointment is presented to the ordinary general





مجموعة انعام الدولية للاستثمار  
Anam International Holding Group

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assembly in aIt has no meeting to approve it, and the new member completes the term of his predecessor, in light of what is stated in the company's articles of association.

**General Provisions :**

The above policy is implemented and adhered to by the company as of the date of its approval by the general assembly of shareholders. It must also be published on the company's website to enable shareholders, the public and stakeholders to view it. The content of the regulation is reviewed as needed based on the recommendation of the Board of Directors on The amendments shall be submitted to the general assembly of shareholders for approval LessLord of her meeting.

(1)

## Policies, standards and procedures for membership in the Board of Directors of Anaam International Holding Group

### **Introduction :**

Policies, standards and procedures for membership in the Board of Directors of Anaam International Holding Group have been prepared with the aim of complying with Paragraph (3) of Article (21) of the Corporate Governance Regulations issued by the Board of the Capital Market Authority pursuant to Resolution No. (8-6-2017) dated 16/ 5/1438 AH corresponding to 2/13/2017 AD amended by Capital Market Authority Board Resolution No. 8-5-2023 dated 6/25/1444 AH corresponding to 1/18/2023 AD, which stipulated that the Board of Directors (the Board) shall prepare clear and specific policies, standards and procedures for membership. In the Board in a manner that does not conflict with the mandatory provisions in the Governance Regulations and putting them into effect after the General Assembly approves them.

### **First: Policies and standards for membership in the company's Board of Directors:**

1. The candidate for membership in the Board of Directors must not have been previously convicted of a crime prejudicial to honor or trust, and must not be insolvent, bankrupt, or otherwise unfit for membership in the Board in accordance with any system or instructions in force in the Kingdom.
2. The member of the Board of Directors shall not hold membership in more than five joint stock companies listed on the financial market at the same time.
3. The candidate must not be a government employee.
4. The candidate must be professionally competent and possess the necessary experience, knowledge, skill and independence to enable him to carry out his duties efficiently and competently.
5. The candidate must have the ability to lead and have leadership skills that qualify him to be granted powers in a way that leads to stimulating performance, applying best practices in the field of effective management, and adhering to professional values and ethics.

(2)

6. The candidate must be competent, that is, he must have the appropriate academic qualifications, professional and personal skills, the level of training and practical experiences related to the company's activities, and he must have appropriate knowledge of management, economics, accounting, law and governance, and he must have a constant desire for learning and training.
7. The candidate must have the ability to direct, by having technical leadership and administrative capabilities, speed in decision-making, understanding of technical requirements related to the workflow, and the ability to plan and have a sound future vision.
8. The candidate must have financial knowledge and be able to read and understand financial statements and reports.
9. The candidate must be physically fit and not have a health problem that would prevent him from carrying out his duties and specializations.
10. The candidate must have the ability to communicate effectively and think strategically.
11. Commitment to honesty, honesty, loyalty, and concern for the interests of the company and its shareholders and prioritizing them over his personal interests. Honesty means that the board member's relationship with the company is an honest, professional relationship, and disclosure to the company of any influential information before executing any deal or contract with the company or one of its subsidiaries, while avoiding transactions that involve Conflicts of interest, while ensuring fair dealing and taking into account the provisions regarding conflicts of interest contained in the Governance Regulations, and care and attention should be given to performing the duties and responsibilities stipulated in accordance with the company's bylaws, the Capital Market Authority's bylaws, the company's bylaws, and other relevant regulations.
12. Taking into account diversity in practical qualifications and scientific experience and giving priority in nomination to the needs required of those with the appropriate skills for Board membership.
13. The number of independent members shall not be less than two members or one-third of the Board members, whichever is greater.
14. The independent member must enjoy complete independence in his position and decisions, and none of the symptoms of independence stipulated in the governance regulations issued by the Capital Market Authority apply to him.

(3)

15. The board member must represent all shareholders and be committed to what is in the interest of the company in general and not what is in the interests of the group he represents or that voted for his appointment to the board.

16. The membership of a Board member shall end at the end of the Board's term, or by submitting his resignation, death, or removal by decision of the General Assembly, or by his conviction for any crime against honor or trust, or by his bankruptcy or insolvency, or if he becomes unfit for Council membership in accordance with any laws, regulations, or instructions in force in the Kingdom. .

17. The Board member must resign before the end of his term in the Board in the event that he loses his eligibility to work as a Board member, or is unable to perform his duties or is unable to allocate the time or effort necessary to perform his responsibilities in the Board. However, in the event of a conflict of interest, the member shall have the option to obtain He must obtain a license from the General Assembly, which must be renewed every year or submit his resignation.

## **Second: Procedures for membership in the company's board of directors**

1. The Remuneration and Nominations Committee, in coordination with the company's executive management, shall announce the opening of nominations for board membership in accordance with the Companies Law, the Governance Regulations, and the instructions of the Capital Market Authority, at least sixty (60) days before the end of the board session, provided that the nomination door remains open for 30 days at least. Less than the date of announcement.

2. Every shareholder has the right to nominate himself or one or more other persons for membership in the Board of Directors.

3. Anyone who wishes to nominate himself for membership in the Board must announce his desire in accordance with a notification to the company's management in accordance with the periods and dates stipulated in the applicable laws, regulations, instructions and decisions. This notification must include an introduction to the candidate in Arabic and English in terms of his CV, qualifications and practical experience, in addition to providing the company with all documents. Identification documents such as (national ID card, family card, passport for non-Saudis, and any other relevant documents required by the company to meet the regulatory requirements, and also filling out the form or forms issued by the Capital Market Authority.

4. Anyone who wishes to nominate himself for membership in the Board must disclose to the Board and the General Assembly any cases of conflict of interest that include the presence of a direct or indirect interest in the business and contracts conducted on behalf of the company for which he wishes to run for



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the Board of Directors or his participation in work that would compete with the company. Or compete with it in one of the branches of activity it practices.

5. A candidate who previously served as a member of the board of a joint stock company must state the number and date of the boards of directors of the companies of which he served.

6. The candidate who previously served as a member of the Board of Directors of Anaam International Holding Group must attach to the nomination notification a statement from the company's management about the last session in which he held membership in the Board, including the following information:

a. The number of Board meetings held during each year of the session.

B. The number of meetings that the member attended in person, and the percentage of his attendance to the total number of meetings.

C - The permanent committees in which the member participated, the number of meetings held by each of those committees during each year of the session, the number of meetings he attended, and the percentage of his attendance to the total number of meetings.

7. The membership status must be clarified, i.e. whether the member is an executive member, a non-executive member, or an independent member.

8. The membership status must be clarified, i.e. whether the member is running in his personal capacity or whether he is a representative of a legal person.

9. The Remuneration and Nominations Committee, in coordination with the company's management, shall provide the Capital Market Authority with the CVs of the candidates for board membership according to the form prepared for that purpose, in addition to any copies of the nomination notifications and their attachments.

10. The Remuneration and Nominations Committee must implement any comments received from the competent authorities regarding any candidate.

11. Voting in the General Assembly is limited to those who nominated themselves in accordance with the aforementioned policies, standards and procedures.

12. Voting on the selection of members of the Board of Directors is done through the cumulative voting method.

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13. After the General Assembly elects the members of the Board from among the candidates and in accordance with the aforementioned policies, standards and procedures, the Board meets and selects the Chairman of the Board, the Vice-Chairman, the committees and the Secretary.

14. Board membership expires at the end of its prescribed term, which is four years from the beginning of its session.

15. The membership of a Board member shall terminate in accordance with any law or instructions in force in the Kingdom or due to death or resignation or if he is convicted of a crime prejudicial to honor and honesty. However, the Ordinary General Assembly may at any time dismiss all or some of the Board members without prejudice to the right of the dismissed member towards the company. By demanding compensation if the dismissal occurred for an unacceptable reason or at an inappropriate time. The board member may resign on the condition that this is at an appropriate time, otherwise he will be responsible before the company for the damages resulting from his resignation.

16. The General Assembly may, based on a recommendation from the Board, terminate the membership of any member who fails to attend three consecutive Board meetings or five separate meetings during his term of membership in the Board without a legitimate excuse accepted by the Board of Directors.

17. If the position of one of the Board members becomes vacant during the term of membership, the Board has the right to appoint a temporary member in the vacant position, provided that he is one of those with experience and competence, and the appointment is presented to the Ordinary General Assembly at its first meeting for approval, and the new member completes the term of his predecessor, in light of What is stated in the company's bylaws.

18. The Board of Directors must, before the end of its term, convene the General Assembly to elect a Board of Directors for a new term. If it is not possible to hold elections and the term of the current Board term has ended, its members will continue to perform their duties until a board of directors is elected for a new term, provided that the term of office for the members of the Board whose term has ended does not exceed (90) days from the date of the end of the Board term.

19. If the Chairman and members of the Board of Directors retire, they must convene the General Assembly to convene to elect a new Board of Directors. The retirement shall not take effect until the new Board is elected, provided that the duration of the retiring Board shall not exceed (120) days from the date of that retirement.

20. A member of the Board of Directors may retire from membership of the Board pursuant to a written notification addressed to the Chairman of the Board. If the Chairman of the Board retires, the notification must be directed to the remaining members of the Board and the Secretary of the Board. Retirement shall be effective in both cases from the date specified in the notification.

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21. If the necessary conditions are not met for the Board of Directors to convene due to the number of its members being less than the minimum stipulated in the company's bylaws, the remaining members must invite the General Assembly to convene within (60) days to elect the necessary number of members.

### **General Provisions :**

The above policy shall be implemented and adhered to by the company as of the date of its approval by the General Assembly of Shareholders. It must also be published on the company's website to enable shareholders, the public and stakeholders to view it, and the content of the regulation shall be reviewed as needed based on the recommendation of the Board of Directors at The amendments shall be submitted to the General Assembly of Shareholders for approval at its nearest meeting.

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