



	Board Policies	Membership	Criteria
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Definitions

- **The Company:** MOBI Industry Company
- **Authority:** Capital Market Authority.
- **Market:** Saudi Capital Market.



- **General Assembly:** General Assembly of MOBI Industry Company's shareholders.
- **Board of Directors:** Board of Directors of MOBI Industry Company's shareholders.
- **Executive Member:** Member of the Board of Directors of the National Fertilizer Company, who is dedicated to the Company's Executive Management and participates in the daily business.
- **Non-executive Member:** Member of the Board of Directors of the MOBI Industry Company, who is not dedicated to the Company's Management and does not participate in the daily business.
- **Independent Member:** A non-executive board member who has complete independence in his position and decisions, and none of the obstacles of independence stipulated in the Laws issued by the Capital Market Authority and related authorities apply to him.
- **Executive Management:** Individuals assigned by managing the daily operations of the MOBI Industry Company, and proposing and implementing strategic decisions, such as the CEO, his deputies, and the CFO.

Second: Formation of the Board of Directors:

- F) The members of the Board of Directors shall be elected by the General Assembly, and they may be re-elected in accordance with the relevant laws and regulations.
- G) The number of members of the Board of Directors shall be according to the company's Articles of Association.
- H) The number of independent members shall not be less than two or one-third of the members of the Board of Directors, whichever is greater.
- I) The majority of the members of the Board of Directors shall be non-executive members.
- J) The term of the Board of Directors shall not exceed four years, as stipulated in the company's Articles of Association.

Third: Terms of membership of the Board of Directors:

- A) The member is legitimately and legally competent.
- B) To be honest and upright, and he has never been convicted of a final judgement involving moral turpitude or dishonesty.
- C) No decision or judgment was made against him preventing him from working in companies whose shares are listed on the Market during the membership period.
- D) To have the necessary qualifications, skills, experience and knowledge to enable him to contribute to enriching the work of the Board.
- E) To have the ability to lead and direct others.
- F) To have appropriate financial knowledge.
- G) To have good health and not suffer from diseases that prevent him from performing his duties and tasks as required.
- H) Not be insolvent or bankrupt.
- I) To have sufficient time and willingness to make efforts to work and perform his duties efficiently and effectively.
- J) Not a government employee without the approval of his reference and the approval of the relevant regulatory authorities.
- K) Not to be a member of the board of directors of five joint-stock companies listed in the market at the same time during his membership term in the company.

Fourth: Membership procedures in the Board of Directors for a new session:

- A) After the opening of the candidacy, the candidate shall meet the specific requirements for candidacy for membership of the Board of Directors.



- B) The Remuneration and Nomination Committee shall process candidacy applications in accordance with the rules and regulations.
- C) Voting in the General Assembly shall be carried out in accordance with the laws and regulations.

Fifth: Rules for candidacy for membership of the Board of Directors:

- A) In the event of candidacy for membership of the Board of Directors as an independent member, any of the cases that contradict independence in accordance with the laws of the Authority shall not apply to the person.
- B) In the event of any interest, direct or indirect, in the business and contracts concluded with the Company, the candidate shall inform the Board of Directors and the General Assembly thereof.
- C) In the event that the voting results do not show enough seats for "independent" members, the independent members (from the highest to the lowest in obtaining votes) shall replace the "non-independent" members (from the lowest to the highest in obtaining votes) until the minimum number of independent members is completed.
- D) In the event that the voting results show that the seats of the members of the Board of Directors will be occupied by more "executive" members than the upper limit, then the seat of the executive members (from the lowest to the highest in obtaining votes) shall be replaced by non-executive or independent members (from the highest to the lowest in obtaining votes) until the completion of the vote. The minimum number of independent members, until the minimum number of independent members is completed, and until the majority of the members of the Board of Directors are non-executive members.

Sixth: Procedures for appointment to the Board of Directors during the validity of the session:

- A) In the event that the position of a member of the Board of Directors becomes vacant due to his resignation or death, a temporary member shall be appointed by the Board of Directors and the provisions of the relevant laws and regulations and any approved policies shall be adhered to.
- B) In the event that the position of a member of the Board of Directors becomes vacant by dismissing the member, another member shall be appointed by the General Assembly and any regular procedures shall be completed.
- C) In the event that the company's Articles of Association are amended by increasing the number of members of the Board of Directors, the additional positions shall be appointed by the General Assembly and the necessary measures stated in the relevant laws and regulations and in any approved policies shall be taken.

Seventh: Expiration of membership of the Board of Directors

Membership in the Board of Directors shall expire for one of the following reasons:

- The expiry of the membership term in accordance with any applicable laws or instructions.
- The resignation or death of the member.
- A decision or judgment is issued against the member preventing him from working in companies whose shares are listed on the Market during his membership period.
- Dismissal of the member through the General Assembly of the company.
- In the event of a request by one or more shareholders, they have the right to request the dismissal of board members according to the procedures set by the competent authorities.



- The General Assembly may - based on the recommendation of the Board of Directors - terminate the membership of a member who was absent from attending (three) consecutive meetings or (five) separate meetings during his membership period without a legitimate excuse accepted by the Board

Eighth: Effectiveness and Amendment:

- A) This policy shall be implemented and complied with as of the date of its approval by the General Assembly.
- B) The Board of Directors may propose amendments to this policy from time to time in accordance with the laws and regulations and updates thereon, or in what serves the interest of the company, provided that this amendment shall be submitted to the General Assembly at its first meeting for approval.