

# Board Membership Policy and Standards

## Saudi Lime Industries Company

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## **Article 1: The Purpose**

This policy aims to define the standards and procedures governing the membership of the Board of Directors, with the aim of enhancing the company's ability to achieve its objectives and develop its business, and to achieve compliance with the statutory requirements and relevant instructions.

## **Article 2: General controls for membership of the Board of Directors**

Considering the provisions regulating the membership of the Board of Directors, stipulated in the Companies Law and the Corporate Governance Regulations, the standards and procedures for Board membership are as follows:

### **The standards of membership of the Board of Directors**

- The candidate should have knowledge of the company's activities, business and the risks it faces.
- The candidate should have a university qualification and knowledge of financial and accounting aspects.
- The candidate should have experience related to the company's business and knowledge in the field of Company management.
- The candidate should not have been sentenced to commit an act that breaches honor or trust or violates the laws and regulations in the Kingdom of Saudi Arabia or in any other country.
- The candidate must be obligated by the rules and regulations.
- The nomination should not be in violation of the relevant rules, regulations and instructions.
- The candidate should be able to read and understand financial statements and reports.
- The candidate should not have a health impediment that prevents him from exercising his duties and specializations.

### **Nomination procedures for membership of the Board of Directors**

- The company shall announce on the market's website information about the candidates for membership of the Board of Directors when publishing or sending the invitation to convene the General Assembly, provided that this information includes a description of the candidates' experiences, qualifications, skills, jobs, and previous and current memberships, and the company must provide a copy of this information in its headquarters and website.
- The candidate shall submit his application within the period specified in the company's announcement on the official channels to open the door for candidacy for membership of the Board of Directors, provided that all the documents mentioned in the company's announcement are attached to the candidacy application.
- Complete the Capital Market Authority form for nomination to the Board of Directors.
- Acknowledgment that he has not previously been convicted of an act that violates honor or trust, or that violates the laws and regulations in the Kingdom of Saudi Arabia or in any other country, and if it is proven otherwise, the candidate will be excluded, whether in the board of directors or committees.

- Acknowledgment that he shall fulfill the membership criteria mentioned in this policy, and if it is proved otherwise, the candidacy will be excluded, whether in the Board of Directors or the committees.
- Acknowledgment of his readiness to carry out his duties and responsibilities and allocate sufficient time to attend the meetings of the Board of Directors and the committees of which he is a member, and that he will perform his duties in complete independence and in the interest of the company.
- Cumulative voting must be used in electing the Board of Directors, so that the voting right of a share may not be used more than once.
- Voting in the General Assembly is limited to candidates for membership of the Board of Directors whose information has been announced by the company in accordance with the provisions of this policy.

### **Article 3: implementation and review of Policy**

The Board of Directors must monitor the implementation of this policy, verifying its effectiveness, and amending it when needed. The policy and standard for membership of the Board of Directors are subject to periodic review by the Nominations and Remuneration Committee, the Compliance and Governance Department, and the Internal Audit Department for the purpose of developing and updating it in line with the relevant laws and regulations and as it deems appropriate. The Board of Directors and it is not permissible to amend it except with a recommendation from the Board of Directors, if it is presented to the General Assembly for approval.

### **Article 4: Enforcement**

- This policy shall be effective from the date of its approval.
- Anything not mentioned in this policy shall be subject to the relevant rules and regulations issued by the competent authorities.