



Policy and Controls of Nomination for Membership of the Board of Directors of the Knowledge Economic City Company



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1) Definitions

- a) **Company:** Knowledge Economic City Company
- b) **General Assembly:** The General Assembly of the Shareholders of Knowledge Economic City Company
- c) **Board of Directors:** The Board of Directors of Knowledge Economic City
- d) **Non-Executive Member:** A member of the Board of Directors of Knowledge Economic City Company who is not dedicated to managing the Company and does not participate in its daily operations.
- e) **Independent Member:** A Non-Executive Member of the Board of Directors in Knowledge Economic City Company who enjoys complete independence in his position and decisions, and who is not subject to any independence impediments provided for in the regulations issued by the Capital Market Authority and the relevant authorities.
- f) **Executive Management:** The persons entrusted with managing the operations of the Knowledge Economic City Company and proposing and implementing strategic decisions, such as the CEO and his deputies, and the CFO.

2) Constitution of the Board:

- g) The number of board members shall be proportionate to the size of the Company and the nature of its activity, such that it will not be less than three members or more than eleven members, knowing that the current number of the board members is (11) members.
- h) The majority of the members shall be Non-Executive Members.
- i) The number of Independent Members shall not be less than the higher of: two members or one third of the board members.

3) Membership Expiration:

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

- j) Loss of one or more membership condition(s) by the member.
- k) Expiration of the membership term, expiration of membership or expiration of the member's representation in accordance with any applicable law or instructions.
- l) Resignation, death or loss of eligibility of the member.



4) Right of Nomination for Membership of the Board of Directors

- a) A shareholder in the Company shall have the right to nominate himself or others for membership of the Board of Directors in accordance with the provisions of the Companies Law and its Implementing Regulations.
- b) Current members of the Board of Directors, committee members, employees of the Company and any of its advisors and dealers may nominate themselves for membership of the board.

5) General Controls of Candidates for Membership of the Board:

The candidate shall meet the conditions of experience, honesty, talents and qualifications which contribute to enhancing the Company's ability to optimize its performance, along with his ability to adhere to the rules and regulations of the Ministry of Commerce and Investment, the Capital Market Authority and the Knowledge Economic City Company concerning the controls of nomination for membership of the Board and the related procedures and announcements.

6) Skills and abilities to be Fulfilled by the Candidate :

In addition to the foregoing concerning the controls of nomination for membership of the Board of Directors, it is preferable for the candidate for membership of the Board of Directors to have the following skills, which may be reviewed by the Board of Directors as and when it deems important and in the best interest of the Company:

- a) He must have appropriate experience in the field of work of the Company or its subsidiaries and associates
- b) Preferably, the candidate should have previous experience as a member of boards of directors of real estate joint stock or limited liability companies
- c) The candidate shall have reasonable knowledge in considering financial statements
- d) The candidate shall have engineering, legal, administrative or financial expertise or knowledge
- e) To be fit in health so that to be able to carry out his duties and obligations to the Company

7) Obligations and Requirements of the Candidate for Membership of the Board

- a) To disclose to the board and the General Assembly any cases of conflict of interest- in accordance with the procedures established by the Authority- such as having direct or indirect interest in the business and contracts made on behalf of the Company or participation in work that would compete with the Company, or compete with it in any branch of the activity carried on by the Company .
- b) To comply with the principles of honesty, trustworthiness, loyalty, care, and attention for the interests of the Company and the shareholders and to prioritize them over his personal interests, including in specific:



- 1) Honesty: which means to have an honest and professional relationship with the Company, and to disclose any information which may affect the Company before executing any deal or contract with the Company or any of its subsidiaries.
 - 2) Loyalty: By avoiding transactions which involve conflict of interest, while ensuring fairness of the transaction, and taking into consideration the provisions of conflict of interest provided in these Regulations.
 - 3) Care and attention: By performing the duties and responsibilities stipulated in the Companies Law, the Capital Market Law, their Implementing Regulations, the Company's bylaws and any other relevant regulations.
- c) To carry out the tasks and duties of the members of the board listed in the Company's governance regulations, the Governance Regulations issued by the Capital Market Authority and any other tasks issued by the competent authorities.
 - d) The candidate shall not be a member of board of directors in more than five joint stock companies at the same time.
 - e) To dedicate sufficient time to actively participate in the Board functions and the membership tasks and duties.
 - f) To fill out the forms and declarations issued by the Company and the Capital Market Authority concerning nomination and its controls, including the nomination notification and his CV.
 - g) To submit a statement of the number and date of the boards of directors of joint stock companies in which he was or is a member in accordance with the requirements of the competent authorities.
 - h) To submit a declaration to the Company that he has never been convicted by a crime which is offensive to honor or honesty.
 - i) To submit a statement of the companies or institutions in which he participates in management or ownership and which carry on business similar to the Company's business.
- 8) The Company's Obligations to the Candidates for Membership of its Board of Directors**
- a) To provide all candidates, without discrimination, with the information required by the candidates within the limits required by laws and regulations and in a way that does not harm the Company's interests.
 - b) To treat the information provided by candidates with strict confidentiality and not to use it for any purpose other than the purpose for which it was provided to the Company.
- 9) Steps and Procedures for Nomination by the Company**
- a) To observe the provisions of the Governance Regulations issued by the Capital Market Authority, and the changes to its terms and conditions, and the requirements prescribed by the Authority.



- b) To publish the nomination notice on the Company's website, the Market's website, and by any other means as may be determined by the Authority for inviting those who wish to be nominated for membership of the Board of Directors.
- c) To open nominations for at least one month from the date of the announcement.
- d) To review and examine the nomination applications by the nominations committee and to keep the Board updated on the same.
- e) To refer more than (11) candidates for membership to the General Assembly so as to give the General Assembly the opportunity to choose from among the candidates.
- f) To announce the results of the selection of those elected by the Assembly in accordance with the controls issued by the Capital Market Authority

10) Steps and Procedures for Nomination by the Candidates

- a) To observe the provisions of the bylaws concerning membership of the Board of Directors, the Governance Regulations issued by the Capital Market Authority, and the changes in their terms and conditions, and the requirements determined by the Authority.
- b) To comply with the standards and controls approved by the General Assembly of the Company's shareholders concerning nomination.
- c) Not to attempt to obtain preferential information by the Company that is not available to the rest of the candidates

11) Enforcement, Publication and Amendment:

These regulations shall come into effect as of the date of adopting them by the General Assembly. The Assembly shall authorize the Board of Directors to publish, update, and amend the provisions of these Regulations in the best interest of the business or in accordance with the directives and decisions issued by the competent authorities.