



Agenda 15: To vote on update Nomination and Remuneration committee core terms of reference. (attached).

Summary of Proposed Amendments / Proposed Changes made to the Document

Document Name : REMCO TOR
 Date of Amendments : 15 March 2021
 Request for : Review / Approval

Old Version	Amended Version
<p>Page:3 Whereas the SABB Board to the General Meeting scheduled for 11 May 2016 for its approval as per the following rules:</p>	<p>Page: 3 Whereas the SABB Board to the General Meeting scheduled for 13th May 2019 for its approval as per the following rules:</p>
<p>Page: 5,6 2. Recommend to the Board of Directors the names of persons nominated for the membership of the Board in line with the policies and criteria outlined in the SABB TAKAFUL Directors Selection and Appointment Criteria Policy and the pertinent policies and rules in place.</p>	<p>Page:5,6 2. Recommend to the Board of Directors the names of persons nominated for the membership of the Board in line with the policies and criteria outlined in the SABB TAKAFUL Directors Selection and Appointment Criteria Policy and the pertinent policies and rules in place; and the number of nominees to the Board whose names are presented to the General Assembly shall be more than the number of available seats to give a chance to the General Assembly to select the Board members among those nominees.</p>
<p>Page: 6 4. To annually review the qualifications and skills required for the membership of the Board and to prepare a description of the capabilities and qualifications required including the time to be devoted by each Board member for the Board business.</p>	<p>Page: 6 4. To annually review the qualifications and skills required for the membership of the Board and the Executive Management and to prepare a description of the capabilities and qualifications required including the time to be devoted by each Board member for the Board business.</p>
<p>Page:6 6. To review the structure of the Board and make the necessary recommendations in this connection</p>	<p>Page:6 6-.To review the structure of the Board and the Executive Management and make the necessary recommendations in this connection.</p>
<p>Page:6 7. To identify the weaknesses and strengths of the Board of Directors and make the necessary recommendations for rectification so as to achieve the SABB TAKAFUL interests, including the adoption of an acceptable and effective method for assessment of Board and Committees members.</p>	<p>Page:6 7. To set procedures to be followed if the position of a member of the Board or a Senior Executive becomes vacant; and to identify the weaknesses and strengths of the Board of Directors and make the necessary recommendations for rectification so as to achieve the</p>

	SABB TAKAFUL interests, including the adoption of an acceptable and effective method for assessment of Board and Committees members.														
Page:	Page: 7 10. To clarify the relation between the paid remunerations and the adopted remuneration policy, and highlighting any material deviation from that policy														
Page:	Page:7 11. To attract talented professionals and retain and motivate them without exaggeration														
Page:	Page:7 12. To take into consideration situations where remunerations should be suspended or reclaimed if it is determined that such remunerations were set based on inaccurate information provided by a member of the Board or the executive management, in order to prevent abuse of power to obtain unmerited remunerations; and regulating the grant of Company's shares to the Board members and the Executive Management, whether newly issued or purchased by the Company														
Page:	Page:7,8 Article Number change <table border="1" data-bbox="885 1045 1140 1331"> <thead> <tr> <th>From #</th> <th>To #</th> </tr> </thead> <tbody> <tr> <td>10</td> <td>13</td> </tr> <tr> <td>11</td> <td>14</td> </tr> <tr> <td>12</td> <td>15</td> </tr> <tr> <td>13</td> <td>16</td> </tr> <tr> <td>14</td> <td>17</td> </tr> <tr> <td>15</td> <td>18</td> </tr> </tbody> </table>	From #	To #	10	13	11	14	12	15	13	16	14	17	15	18
From #	To #														
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Page:	Page:8 19. The Company shall publish the nomination announcement on the websites of the Company and the Exchange and through any other medium specified by the Authority; to invite persons wishing to be nominated to the membership of the Board, provided that the nomination period shall remain open for at least a month from the date of the announcement														
Page:	Page:9 20. None of the provisions of this Chapter shall prejudice the right of any shareholder to nominate him/herself or others to the membership of the Board in accordance with the provisions of the Companies Law and Its Implementing Regulations.														

Page:	Page:9 3-4 All individual members of the REMCO shall have the same proportionate control and influence over the decisions of the Board
Page:	Page:9 3-5 Members of the REMCO shall always be fully informed of the course of business and act in good faith; with due diligence; in compliance with the applicable laws and regulations; and in the best interest of the Company's shareholders, policyholders, and other Stakeholders.
Page:	Page:9 3-6 Members of the REMCO shall perform their duties free from any external influence, whether from within or outside the Company. Members of the Board shall not allow their own personal interest, or the interest of the parties they represent, to come before, or in conflict with, that of the Company, its shareholders, and other Stakeholders.
Page:	Page:9 3-7 Members of the REMCO and its committees are prohibited from disclosing to shareholders or the public any confidential information obtained as they perform their role, other than in the general assembly, and must not use such information for their own benefit and personal gain.
Page:	Page:9 3-8 Minutes of the Board meetings shall be recorded, signed by the Chairman and the Secretary of the REMCO, and entered into an official register.
Page:	Page:9 3-9 Minutes of the REMCO meetings shall indicate the meeting's attendance, topics discussed, major deliberations, voting process, objections and abstentions from voting (with reasons if any), decisions taken, and reservations. All records and documents reviewed during the meeting and/or referred to in the minutes shall be attached to the minutes.
Page:	Page:10 3-10 The REMCO secretary shall give advance notices, send meeting agendas with any relevant materials to REMCO members and ensure their delivery within a period of (10) working days prior to the meeting
Page:	Page:10 3-11 Minutes of the meetings shall be distributed to the parties concerned within a period not exceeding fifteen (15) days. The person or entity responsible for implementing the resolutions taken shall be determined. The Board should, at the beginning of each year, set a

specific timetable for receiving reports from the committees concerned and internal and external auditors, and shall ensure that the mechanism for the collection, preparation and submission of reports and data is in place and in line with the internal adopted policy. It shall also ensure the preparation of important information and its presentation to the REMCO on a timely basis.



Agenda 16: To vote on delegating the General Assembly's authorization powers stipulated in Paragraph (1) of Article 71 of the Companies Law to the Board of Directors, for a period of one year from the date of approval by General Assembly or until the end of the Board of Directors' term, whichever occurs first, in accordance with the conditions set forth in relevant regulations and procedures issued pursuant to the Companies Law.