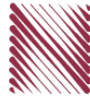


## ***A. NIC Board of Directors***

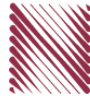
- The Board has overall responsibilities for the company, including approving and overseeing the implementation of the company's strategic objectives, risk strategy, corporate governance and corporate values. The Board is also responsible for providing oversight of the company's senior management including CEO.

### **The responsibilities of the Board as per set by the CMA**

- NIC Corporate Governance framework is ensuring the strategic guidance of the company, the effective monitoring of management by the Board, and the Board's accountability to the company and the shareholders.
  1. Board members should act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company and the shareholders.
  2. Where Board decisions may affect different shareholder groups differently, the Board should treat all shareholders fairly.
  3. The Board should apply high ethical standards. It should take into account the interest of stakeholders.
  4. The Board should fulfil certain key functions including:
    - 4.1 Approving company major goals, strategic, plans and policies such as
      - a. The company comprehensive strategy, main work plans, reviewing and directing the same.
      - b. Company ideal capital structure and financial goals.
      - c. Apparent policy for profits distribution of various types (cash/non-cash) so that shareholders' and company's interests are accomplished.
      - d. Performance goals, execution pursuing and company comprehensive performance.
      - e. Company organizational and employment structures and periodic review thereof.
  5. Acknowledging annual estimated budgets and approving phase and annual financial information.



6. Supervising company main capital charges, assets ownership and disposing of the same.
7. Ensuring the company's commitment with policies and procedures that procure the company's compliance with internal applicable rules and regulations.
8. Safeguarding accuracy and validity of the data and information to be disclosed in accordance with applicable disclosure and transparency policies and rules.
9. Pursuing performance of each member of the Board of Directors and executive management members subject to Key Performance Indicators (KPI's).
10. Preparing annual report to be cited in the annual general assembly including the requirements and procedures of completing Corporate Governance rules and commitment degree thereof.
11. Forming specialized committees where period, powers and responsibilities of the committees are clarified and how the Board shall monitor it. Formation resolution shall also include titles of members and determining their roles, rights and duties. This is in addition to assessing performance and works of the committees and their members.
12. Ensuring that company certified policies and conditions are transparent and clear so the resolutions' taking and wise governance principles are applied, this in addition to separating powers and authorities of both the Board of Directors and executive management.
13. Determine the powers authorized to executive management, resolution taking actions and authorization term. The Board shall also specify issues which it shall keep power to resolve.
14. Determine the remuneration categories to be given for employees such as fixed remuneration category, long term risks and performance remunerations and shares-like remuneration category.
15. Set a policy for regulating relationship with stakeholders to protect their rights.
16. Set a mechanism to regulate dealings with related parties to avoid conflict of interest.
17. Periodically ensure the applicable internal audit systems' efficiency and sufficiency in the company and its subsidiaries thereof.
18. Any members of Board of Directors shall inform the Board of the personal interest related thereto in works or agreements concluded for the company



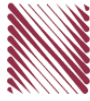
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and such reporting shall be listed in the minutes. The member of interest shall not be entitled to vote on the resolution issued in this regard.

19. The Board chairman shall report to the general assembly at the meeting, the works and agreements, in which a member of a board of directors has a personal interest, and such reporting shall be enclosed with a special report by the auditor.
20. The company shall assign an independent expert, such an asset valuator or investment advisor, to report to the general assembly or the board of directors, as the case may be, on any transaction between the company and any related party or any agreement whereby each party enters into any project or financing asset where the value of the transaction or arrangement equals 10% or more of the total assets of the company, provided that such report is submitted before the transaction is approved or the arrangement stipulated in this point.

## **Oversight of Executive Management**

- The Board appoints a Chief Executive Officer (CEO) with technical competency and wide range of investment experience of the Company. Approval of the Board is also obtained prior to appointment of all Executive Management positions reporting to the CEO or the Chairman of the Board. This in addition to separating powers and authorities of both the Board of Directors and executive management. In this regard, the Board shall:
  1. Approve internal rules and regulations concerning the company work and improvement, and any subsequent roles, specializations, roles and responsibilities amongst different organizational levels.
  2. Approve authorization and execution policy of executive management assigned duties.
  3. Audit and supervise performance of executive management members and procuring their accomplishment of all assigned roles so that the Board can:
    - 3.1 Ensure that executive management work is in accordance with policies and conditions approved by the Board.



- 3.2 Hold periodic meetings with executive management to discuss work issues and challenges as well as presenting and discussing important information in regard of the company's activity.
  - 3.3 Set performance measures for executive management consistent with company goals and strategy.
4. Appoint or remove any of executive management members including CEO.

### **Delegation of Authority**

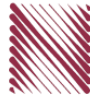
- The Board has delegated the task of running the day to day operations of the company to the company's executive management headed by the CEO through written / approved delegated financial and operational authorities

### **Board Composition**

- The company has an adequate number and appropriate composition of Board members to enable the company from the necessary number of Board standing Committees in conformity with the governance requirements of book # 15 of the CMA executive bylaw.

### **Organization and Functioning of the Board**

- The Board meets as often as it deems fit but at least 6 times a year with at least 1 meeting in every quarter. The minutes of the meetings shall be mandatory and constitute part of the Company's record.
- The Chairman, in consultation with the executive management, proposes the important and comprehensive topics to be included in the agenda of each Board meeting and ensure that the Board members are provided with sufficient information enough time before each Board meeting so as to be able make informed decisions.
- The Board secretary takes records of all Board discussions, suggestions by the Board members and results of voting conducted in the Board sessions.



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## **Board Secretary**

- The overall role of the Board secretary is to assist the Board and its Chairperson in running Board affairs including but not limited to:
  1. Ensuring timely development of Board agendas in conjunction with the Chairman and CEO.
  2. Ensuring good delivery and distribution of information and coordination amongst the Board and other stakeholders in the company including shareholders and different departments in the company.
  3. Drafting and maintaining minutes of Board meetings.