



# Board Membership Nomination Policy and Criteria of Elm Co.

This is a translated version of the Policy. The Arabic version is the approved version and can be relied on.

This is a translated version of the Policy. The Arabic version is the approved version and can be relied on.

#### **First: Requirements for the Nomination to the Board of Directors**

1. Submitting a letter to the Company's management during the nomination period, which is one month from the time of opening of the nomination, stating the candidate's desire to enroll for the board nominations along with the candidate's curriculum vitae (CV), qualifications, and professional experience the business field's of the company's in accordance with the relevant forms and legal requirements.
2. Submitting a statement that includes the names of the joint stock companies in which the candidate participates in the membership of its board(s) of directors and committees.
3. Submitting a statement of the companies or institutions that the candidate jointly manages or owns and that practice similar business to the company.
4. Disclose to the Board of Directors and the General Assembly any cases of conflict of interest and issues affecting independence in accordance with the procedures established by the Capital Market Authority including:
  - a. Having any direct or indirect interest in the business and contracts made for the Company.
  - b. Participating in a business that would compete with the company, or compete in one of the branches of the activity in which the company is engaged in.
5. Providing a statement of the number and date of the boards of directors of the companies in which the candidate was a member, if the candidate has previously held a membership in the board of directors of a joint stock company. However, if the candidate has been a member of the board of directors of the Company in previous board term, the candidate must attach a statement of the board terms in which the candidate participated, and the Company shall complete the necessary measures.

#### **Second: Conditions for Selection of the Members of the Board of Directors**

1. The member of the Board of Directors must be of professional competence who has the necessary experience, knowledge, and skill and an appropriate limit of academic qualifications not less than a bachelor's degree, in a way that enables him/her to perform its duties efficiently and competently and to contribute effectively to the Company's management, prosperity, and protection of its gains.
2. The member of the board of directors shall not hold the membership of the board of directors of joint stock companies listed in the financial market, exceeding the number allowed by law.
3. To be in good health and not have a health weakness that hinders him from performing its duties.
4. The member of the Board of Directors shall not be an employee of a competing company or participate in any business that would compete with the company.
5. The candidate should not be a government employee (except candidates and representatives of government or semi-governmental entities who are shareholders in the Company ).
6. The candidate must not have been previously removed or dismissed from a board of directors of a joint-stock company or from the management of any establishment due to negligence, mismanagement, or irregular attendance at meetings of the board of directors or its committees.
7. The candidate must not have been previously convicted of cases involving moral turpitude or dishonesty.