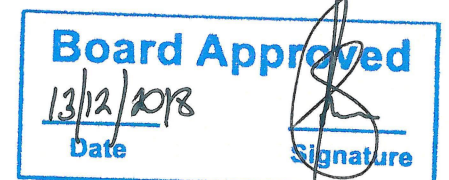




البنك السعودي للاستثمار
The Saudi Investment Bank

Corporate Governance Manual December 2018



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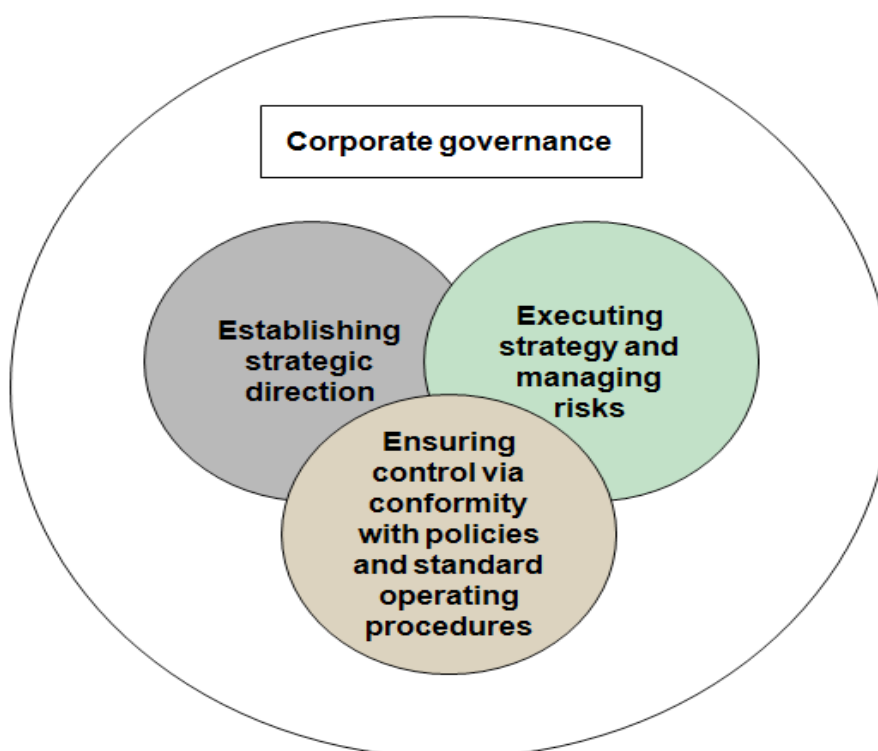
1. INTRODUCTION

1.1 Scoping corporate governance

1.1.1 What corporate governance is

Corporate governance is the system of rules, practices and processes by which a bank is directed and controlled. Corporate governance essentially involves fair treatment and balancing the interests of the many stakeholders in a bank - these include its shareholders, management, customers, suppliers, financiers, the government (including regulatory entities) and the community.

Exhibit A: Corporate governance in brief



1.1.2 Why Corporate Governance is important

Sound corporate governance practices can help improve the performance of the bank in multiple ways:

1.1.2.1 Improvement in performance and profitability:

Governance often leads to improved performance. Effectively it increases the Board's and Executive Management's ability to make optimal decisions that can drive an increase in revenue and a reduction in costs.

1.1.2.2 Mitigation in risk of failure:

When executed effectively, governance can prevent corporate scandals, fraud or any civil and criminal liability of the bank. It also enhances a bank's reputation in the market as a self-policing bank that is responsible and worthy of investor capital.

1.1.2.3 **Protection of minority shareholders:**

Sound governance practices ensure that rights of minority shareholders are protected, particularly the right to seek information, voice an opinion and vote in general assembly meetings.

1.1.3 **Principles of corporate governance at The Saudi Investment Bank**

Control environment – the internal control mechanics, driven by the Board’s responsibilities toward stakeholders, supported by guidelines documented in simple and accessible policies, procedures, and authorities that guide actions and govern practices

Risk management – the framework, independent function, and associated processes to effectively identify, monitor and to control the impact of material and emerging risks facing the bank in its operating landscape, and with its stakeholders

Transparency and Disclosure – the timely and accurate flow of information impacting the Bank to internal and external stakeholders including employees, regulators, and investors

Commitment and follow-up – the commitment to the tenets of a strong Governance culture across the Bank through continuous monitoring, evaluation and follow-up to maintain effectiveness and to identify opportunities for improvements

1.2 **Scoping the corporate governance manual («The manual»)**

1.2.1 **Purpose of the manual**

The purpose of the document is to institutionalize clear, robust and effective Corporate Governance as the foundations for The Saudi Investment Bank’s future market leadership, continued profitability and long-term stability.

Specifically, it includes a comprehensive and detailed record of the Bank’s Governance framework, the Board and Executive Management governance structures, as well as the key policies, guidelines and control functions at the Bank.

In addition, the appendices include all of the charters for the Bank’s Board and Management committees as well as the Management sub-committees, and the Saudi Investment Banks authority matrix.

1.2.2 **Custodianship of the manual**

The General Manager – Corporate Governance, overseen by the Board Corporate Governance sub-committee, is responsible for ensuring that the corporate governance manual is up-to-date

The General Manager – Corporate Governance shall maintain a repository which shall contain the corporate governance manual its appendices and associated control documents including the bank’s authorities’ matrix

This repository and the associated documents shall be accessible to the bank’s employees through the intranet. The repository shall also include links to the full set of the bank’s policies and procedures

1.2.3 Revisions and amendments to the manual

The General Manager – Corporate Governance shall be responsible for reviewing the contents of the corporate governance manual on an ongoing basis and shall recommend updating it as necessary

The General Manager – Corporate Governance shall conduct a full review every two years at least under the supervision of the Board Corporate Governance sub-committee

2. GOVERNANCE FRAMEWORK AT THE SAUDI INVESTMENT BANK

2.1 Saudi and global regulatory references

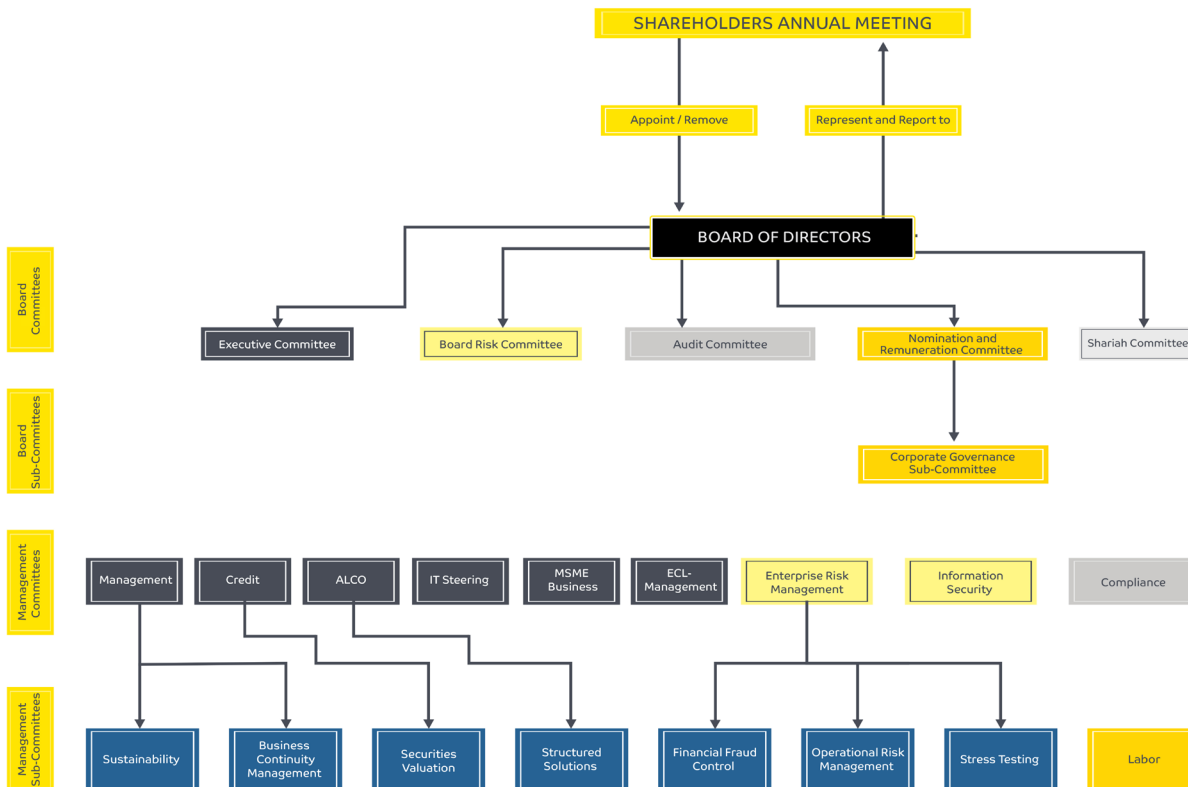
This corporate governance manual is in complete conformity with the SAMA and CMA guidelines for corporate governance and must be kept as such at all times. Additionally, the manual reflects in spirit and specifics the principles for enhancing corporate governance as published in the latest guidelines by the Basel Committee on Banking Supervision. Should there be any contradiction between the contents of this manual and its appendices on one hand and any of regulations stipulated in the charters and principles issued by the regulatory entities on the other hand, then the latter shall prevail

The General Manager – Corporate Governance is accountable for ensuring that the necessary updates are consistently introduced to maintain absolute conformity with SAMA, CMA and Basel guidelines

2.2 Committees' structure and reporting lines

The Saudi Investment Bank corporate governance framework is based on five Board Committees', one supporting Board Sub-Committee, seven Management Committees, and eight Management Sub-Committees. This governance structure is underpinned by a series of governance enablers which constitute the core to ensuring the required clarity and discipline of good corporate governance: corporate values, organization structure design, policies and procedures, the bank's authorities' matrix and effective internal and external communication.

Exhibit B: The Saudi Investment Bank committees' structure and reporting lines



2.3 Governance oversight responsibility

Corporate governance oversight ultimately is the responsibility of the Board of Directors which shall exercise its oversight through the Governance Board sub-committee. At the executive level, the General Manager, Corporate Governance shall be in charge of ensuring daily abidance by the sound practices stated in this manual and of periodically reporting progress and breaches to the Board's Corporate Governance sub-committee.

3. BOARD GOVERNANCE MODEL

3.1 Board of directors

The ultimate responsibility for The Saudi Investment Bank shall rest with the Board of Directors (Board). Members of the board are responsible for the overall promotion and safeguarding of SAIB's interests. In doing so, the Board shall be in charge of upholding the highest standards of corporate governance across the bank, including its departments and subsidiaries (business associates).

3.1.1 Guiding Corporate Governance Principles for the Board of Directors

3.1.1.1 The Board plays a key role in approving the vision, purpose and strategies of the Bank. It is accountable to the organization's shareholders as a whole and must act in the best interests of the Bank.

3.1.1.2 The Board sets the cultural and ethical tone for the Bank

- 3.1.1.3 All Directors should exercise independent judgment and provide independent oversight of management
- 3.1.1.4 The Board of Directors comprises an appropriate number of Directors who have the relevant and diverse range of skills, expertise, experience and background and who are able to effectively understand the issues arising in the Bank's business. The Chairman of the Board should be a non-executive member.
- 3.1.1.5 The Board ensure that the Bank has an appropriate system of risk oversight and internal controls put in place.
- 3.1.1.6 Directors act diligently on an appropriately informed basis and have access to accurate, relevant and timely information.
- 3.1.1.7 The Board is responsible for the appointment of the CEO and the continuing evaluation of his performance
- 3.1.1.8 The Board ensures that the Bank communicates with shareholders and other stakeholders in a regular and timely manner, to the extent that the Board thinks is in the best interests of the Bank, so that they have sufficient information to make appropriately informed decisions regarding the organization

3.1.2 Service on other boards and in executive positions at other corporations

- 3.1.2.1 Board members shall at all times keep the Chairman of the Board and the Chairman of the Board Corporate Governance sub-committee informed about all participation on other Boards outside the bank and about executive positions they hold in other corporations.
- 3.1.2.2 No Board member of The Saudi Investment Bank shall serve on the board of another Saudi bank licensed and incorporated in the Kingdom of Saudi Arabia, on the board of another financial institution that may suggest a conflict of interest, on the board of a significant or potentially significant competitor, or on the board of more than four other listed companies.
- 3.1.2.3 All Board members must consult with the Chairman of the Board and the Chairman of the Board Corporate Governance sub-committee before accepting a position on an outside Board.
- 3.1.2.4 In the case of an external Board membership, the Bank must ensure the disclosure of the names of any joint stock company or companies in which any Board of Director member of the Bank also acts as a member of its Board of Directors.
- 3.1.2.5 The Chairman of the board will annually inform the Board of all outside board memberships accepted by any of the bank's Board members or any of the bank's senior managers (CEO and CEO direct reports).
- 3.1.2.6 The membership of board members who are on the boards of other joint stock companies must be stated in The Saudi Investment Banks annual report.

3.1.3 Board members' confidentiality principles

- 3.1.3.1 One important aspect of the fiduciary duties of a Board member is the responsibility to protect and hold confidential all non-public information obtained in the role of a Board member. Therefore:
- 3.1.3.2 No Board member shall use any confidential information for his or her own personal benefit or to benefit any person or entity inside and/or outside the bank; and
- 3.1.3.3 Should a Board member, during the course of their service obtain access to confidential information, the Board member shall not disclose this information to any person or entity inside and outside the bank, either during or after his or her service as a Board member of the bank, except after granted prior written approval from the Chairman of the Board.

3.1.4 Composition

- 3.1.4.1 The Saudi Investment Bank's board shall comprise of a minimum nine members and shall be appointed by the General Assembly for a term of three Gregorian calendar years after receiving a no-objection letter from SAMA on all members.
- 3.1.4.2 Board members should collectively have a range of experience, background, and knowledge as outlined below in section 3.1.5.
- 3.1.4.3 B Board members must be of high reputation, competence and integrity with an ability to oversee, follow up and direct the bank to achieve its strategic goals. In addition, board members shall remain qualified through regular participation in training on relevant topics.
- 3.1.4.4 The Board member qualifications and expertise shall be stated and kept up to date in the succession planning policy for board members, which is adopted by the Nomination and Remuneration committee. The Nomination and Remuneration Committee is responsible for ensuring that the board members are continuously suitably qualified to fulfill their roles effectively.
- 3.1.4.5 At least two of the board members shall be independent in line with SAMA's Key Principles of Corporate Governance and CMA's Corporate Governance Regulations definitions of "Independent Member"
- 3.1.4.6 The Board must inform SAMA and the CMA about the independence impairment of any of its independent members within 5 days of the impairment
- 3.1.4.7 No more than two members can be executives of the bank
- 3.1.4.8 A judicial person, who is entitled under the Bank's Articles of Association to appoint representatives to the Board of Directors, is not entitled to a nomination vote of other members of the Board of Directors.

- 3.1.4.9 The Board must choose a Non-Executive Director as Chairman of the Board as per the key principles for banks' governance, and also the Board must select a Non-Executive Director as Vice-Chairman. This selection, or removal, shall be conducted by a simple vote of board members.
- 3.1.4.10 The Board is responsible for ensuring at any given time that its composition is in conformity with the SAMA's key principles for banks' governance, the CMA's companies' governance charter and International standards.
- 3.1.4.11 The Board must also ensure that the curriculum vitae of all Board members are appropriately disclosed to the public as per these guidelines and principles.
- 3.1.4.12 It is prohibited to conjoin the position of the Chairman of the Board of Directors with any other executive position in the Bank, such as the Chief Executive Officer.

3.1.5 Collective skill-set guidelines

The board should be composed of members who collectively have the right skills, expertise and experience to ensure proper oversight and management of the bank at all times. The required collective skills at the board are as follows:

- 3.1.5.1 **Banking:** At least three to four members of the board should have strong banking skills and experience as follows:
- Banking experience of over 15 years domestically or internationally
 - Been previously a bank Board member, or bank CEO, or bank senior level executive (Direct CEO report)
 - At least one member should have strong risk management expertise in banking
 - At least one member should have strong IT expertise in banking
- 3.1.5.2 **Commercial:** Three to four members of the board should have strong commercial skills and experience as follows:
- Extensive commercial experience and network within the Saudi market
 - Collective experience should cover key Saudi economic sectors (i.e., oil and gas, construction, real estate, wholesale trade and retail trade)
- 3.1.5.3 **Regulatory:** One to two members of the board should have strong regulatory skills and experience as follows:
- Ten to fifteen years of banking regulatory experience or,
 - Previously experienced Central Bank regulatory senior or senior banking executive with deep regulatory focus

3.1.5.4 Audit/Governance: One to two members of the board should have strong Audit/Governance skills and experience as follows:

- Over 15 years of audit, compliance or governance related experience
- Previously a Partner at a Big 4 accounting firm, or as an executive with senior audit, compliance or governance role

Other relevant skills that Board members must possess include (but are not limited to):

- Capital Markets
- Financial stability issues
- Strategic planning
- Compensation
- Corporate Governance

The Board may choose to appoint external, non-voting permanent or temporary experts to participate in its meetings or within its committees as a means to complement and reinforce its collective skill-set, in case of gaps in any of the above required skills.

3.1.6 Fit and proper criteria

All members of the Board and its committees must fit the regulators' guidelines for fit and proper. The Saudi Investment Bank has translated these guidelines into specific criteria of which the application shall be an ongoing process and shall be in effect throughout the term of the Board.

3.1.6.1 Honesty, Integrity and Reputation:

The following criteria are relevant to the assessment of honesty, integrity and reputation, but they do not represent an exhaustive list of criteria. The board shall exercise good judgment in its assessment of individuals beyond these criteria.

A Board member must not:

- Be or have been prohibited from operating in any jurisdiction by any regulatory authority in Saudi Arabia or abroad
- Be or have been censured, disciplined or suspended from membership by any Saudi or foreign regulator
- Be or have been convicted of any offence by a Saudi or foreign court
- Have confessed liability for fraud or misrepresentation under any law in any Saudi or foreign jurisdiction
- Have contravened or abetted another person in breach of any Saudi or foreign laws or regulations, business rules or codes of conduct
- Have demonstrated an unwillingness to comply with any Saudi or foreign regulatory requirement or to uphold any professional and ethical standards

- Have been untruthful or provided false or misleading information to Saudi or foreign regulators or been incompliant with any dealings with Saudi or foreign regulators

3.1.6.2 **Competence & capability:** The following criteria are relevant to the assessment of competence and capability, but they do not represent an exhaustive list of criteria. The board shall exercise good judgment in its assessment of individuals beyond these criteria.

Nonetheless, a Board member must possess the following attributes:

- Have satisfactory past performance or expertise. Expertise and skill-set requirements are listed in section 3.1.5 of this manual
- Have no factor that could impair his ability to discharge his duties
- Have satisfactory educational qualification or practical experience

3.1.6.3 **Financial soundness:** The following criteria are relevant to the assessment of financial soundness, but they do not represent an exhaustive list of criteria. The board shall exercise good judgment in its assessment of individuals beyond these criteria.

A Board member must:

- Have never been unable to fulfill any of his financial obligations
- Have not entered into a legal settlement or scheme of arrangement with his creditors
- Not be or have not been involved in a bankruptcy petition
- Not be subject to a judgment debt which is unsatisfied

A Board member shall be considered resigned if any of the above four conditions are met

3.1.6.4 **Autonomy – Ability to act independently of external influence:** The following criteria are relevant to the assessment of a member's autonomy, but they do not represent an exhaustive list of criteria. The board shall exercise good judgment in its assessment of individuals beyond these criteria.

A Board member must:

- Have the necessary independence to perform the responsibilities and duties
- Not have business interests, financial interests, employment obligations, or any other situations which might give direct or indirect rise to conflict of interest or which could in any way impair the person's independence and ability to perform the duties
- The nominees for the Board's membership must disclose any of the above mentioned incidents in the nomination form prepared by the Bank

3.1.7 Individual board member responsibilities

3.1.7.1 **Diligence:** Members of the board of directors must ensure diligence in conducting their directorship role.

3.1.7.1.1 Attendance of board and committee meetings:

- Board members must attend meetings regularly to be updated on the latest business developments
- Board members must participate meaningfully by leveraging their expertise and background knowledge to serve the Bank's interests
- The board must consider the substitution of a board member due to 3 consecutive unjustified «failure to appear» in board meetings

3.1.7.1.2 Request and review meeting materials:

- The Bank's Board Secretary shall provide Board members with information, documents and data needed to stay informed of bank's condition
- The Bank's Board Secretary shall also provide Board members with the Board's meeting's agenda and appendices at least 7 working days prior to the meeting for them to review the documents and to adequately prepare for meeting

3.1.7.1.3 Ask questions and seek explanations of problems:

- Board members must constructively challenge management to address problems
- Board members must request information especially for exceptions from board policies

3.1.7.1.4 Understand audit and supervisory communication:

- Board members must review significant communications from the bank's auditors and regulators and ensure deeper understanding of important issues

3.1.7.1.5 Obtain external help:

When necessary, Board members must obtain expert assistance, through the use of external attorneys, consultants, accountants, appraisers and investigators

3.1.7.2 Loyalty to The Saudi Investment Bank: Members of the Board of directors must prioritize the bank's interests and reputation at all times

3.1.7.2.1 Concept of fair dealing

- Board members must ensure fair arms length in business dealings between
- their own business and their personal relationships and the bank
- the bank's relationship with other Board members

3.1.7.2.2 Conflict of interest

- Board members must structure personal and business dealings with the Bank to comply with legal requirements.
- The directors and senior executives of the Bank and any person related to them may not deal in any securities of the Bank during the following periods:
- During the 15 calendar days preceding the end of the financial quarter and until the date of the announcement and publication of the interim results of the Bank.
- During the 30 calendar days preceding the end of the financial year and until the date of the announcement of the Bank's annual results.
- Or any other prohibition period imposed by the respective regulatory bodies.

3.1.7.2.3 Insider laws and regulations

- Board members must strictly adhere to insider regulations, charters and policies. Violation may lead to reputational risks.

3.1.7.2.4 Exemplary conduct:

- Board members must ensure that their conduct & behavior is guided by independence, objectivity, candor, good faith, diligence and integrity.

3.1.7.2.5 Duty of loyalty

- Board members must place the interest of the bank and its shareholders above their own self-interest or the interests of any other person.

3.1.8 Collective Board role, responsibilities and authority

The Board shall have the ultimate responsibility for the success, soundness and solvency of the bank, and is accountable for protecting depositors' and shareholders' funds

The main responsibilities of the board members are:

3.1.8.1 **Strategy responsibilities:**

- Constructively challenge and contribute to the development of strategy.
- Approve and monitor the implementation of the business strategy of the Bank, taking into account the Bank's long-term financial interests, its exposure to risks, and its ability to manage risks effectively.

3.1.8.2 **Risk responsibilities:**

- Approve and oversee the implementation of the Bank's overall risk strategy, including, but not limited to:
 - Its risk tolerance and appetite.
 - The policies for risk.
 - The risk management and compliance.
 - The internal controls system.
 - The corporate governance framework.
 - Principles and corporate values (inc. a code of conduct or comparable documents).
 - The bank's compensation system (specifically ensuring it doesn't incentivize disproportionate risk-taking).
 - Alignment with the Bank's short and long term strategy.
- Ensure the independence of internal and external auditors; and ensure compliance with the requirements of disclosure and transparency with regards to reports and financial information.
- Ensure that a policy to identify, measure and manage related-party exposures is in place.

3.1.8.3 **Performance management responsibilities:**

- Monitor and oversee bank' managers performance and risks, including subsidiaries and Business Associates.
- Ensure that financial information is accurate and that financial controls and systems of risk management are robust and defensible.
- Develop a corporate social responsibility program and oversee its implementation.
- Oversee the development and maintenance of a business continuity plan at all times.

3.1.8.4 **Organizational responsibilities:**

- Appoint and remove:
 - The Chief Executive Officer (CEO).
 - The Deputy Chief Executive Officer (Deputy CEO).

The Board Nomination and Remuneration Committee approves the appointments, remuneration and removal of the following positions:

- Executive managers (primarily those who report directly to the CEO).
- Ensure succession planning for all critical positions including the CEO, and those who report to the CEO. The Board must work directly with The Nomination and Remuneration Committee as well as with the Human Resources Department to achieve this.
- Determine the appropriate level of remuneration across the bank and approve the bank's compensation system, including the annual performance bonus. The remuneration system must be consistent with the bank's culture, its long-term business and risk strategy, its performance, as well as with any legal or regulatory requirements and it must not encourage excessive risk taking.

The Board Audit Committee shall:

- Recommend to the Board the appointment of The Chief Internal Auditor.
- Recommend to the Board remuneration of The Chief Internal Auditor.

The board has the authority to decide on the delegation of authority to board committees and to the management of the bank as it deems fit

3.1.9 **Meetings, quorum and decision mechanisms**

- 3.1.9.1 The number of Board meetings shall be at least in accordance with local laws and regulations, and shall be scheduled at the beginning of each year.
- 3.1.9.2 Additional or extraordinary meetings can be convened upon the request of the Chairman or two or more Board members.
- 3.1.9.3 The agenda and information packs for the Board meetings shall be sent out, at a minimum, 7 working days in advance. For extraordinary meetings, the agenda and information pack will be sent out as soon as it is feasible and complete.
- 3.1.9.4 The meetings of the Board can take place either face-to-face, by teleconference or by videoconference. The Board may, when urgent or necessary, adopt resolutions by submitting them to members separately by circulation outside of a meeting. Any resolutions so adopted shall be submitted to the board at the first subsequent meeting for acknowledgment and inclusion in the meeting's minutes.

3.1.9.5 A Board meeting quorum is considered valid if all the following conditions are met:

- At least 5 Directors attend either in person or through representation by a Board member by means of a written notice.
- The Chairman or Vice Chairman of the board is present in the meeting.

A board member shall not represent more than one member in attending the same meeting.

Board decisions shall be adopted by a simple majority of the votes of attending and represented members.

When votes are equally divided, the side on which the vote of the Chairman of the Board (or Vice Chairman in the Chairman's absence) lies shall prevail.

3.1.10 Internal Board management

3.1.10.1 Nomination and election of board members

The Board, with inputs and recommendations by the Nomination and Remuneration committee, shall approve nominees for Board membership, and present the shortlist at the General Assembly, to vote for Board members.

3.1.10.2 Election term, re-election and mandatory retirement

3.1.10.2.1 The General Assembly shall appoint the members of the Board of Directors in accordance with the Policies, Standards, and Procedures for Board Membership approved by the General Assembly.

3.1.10.2.2 The Board membership term is 3 years, and the preference is for not more than 12 consecutive years as per SAMA's key principles of banks' governance

3.1.10.2.3 Unless otherwise provided for in the Articles of Association of the Bank, members of the Board may be reappointed.

3.1.10.2.4 All executive, non-executive and independent directors, wishing to get re-elected, shall be required to submit themselves for re-election every three years.

3.1.10.2.5 Reappointment should not be automatic, but the result of a conscious decision of the Bank's shareholders in the General Assembly.

3.1.10.2.6 Regulators shall be notified of all Board member appointments within the legal terms stipulated in regulations and instructions.

3.1.10.2.7 The Board must consider – if made possible by the available Board members’ range of expertise – rotating the membership for its key committees especially for the Audit Committee and the Nomination and Remuneration Committee. Members of these board committees are typically considered for rotation after two terms.

3.1.10.2.8 The Articles of Association of the Bank specify the manner in which membership of the Board of Directors terminates in Article 19 thereof. At all times, the General Assembly may dismiss all or any of the members of the Board of Directors even if the Articles of Association provide otherwise.

3.1.10.3 Induction for new members of Board

3.1.10.3.1 Members of the Board shall receive appropriate induction and training upon appointment

3.1.10.3.2 The Board must ensure the development and continuous updating of an induction program to the new members on the Bank’s business in particular, the financial, risk and legal aspects.

3.1.10.3.3 All Board members shall get a copy of the Bank’s corporate governance manual, its appendices, and major policies such as the code of conduct, the conflict of interests’ policy, disclosure and transparency principles, governance charter issued by the CMA and SAMA’s key principles of banks’ governance.

3.1.10.3.4 The new member shall also get a policy manual and sample for evaluating the Board, its committees and the members

3.1.10.3.5 Each Board member shall be asked to sign a statement that he/she understands and acknowledges his/her duties and responsibilities

3.1.10.4 Continuing education and training

3.1.10.4.1 Members of the Board shall participate in ongoing board training programs.

3.1.10.4.2 The Nominations and Remuneration committee shall oversee the development of this program

3.1.10.4.3 The program shall include training seminars on relevant topics (e.g., Risk, Basel III, AML & Compliance requirements), business briefings on emerging banking and commercial trends and bulletins on new regulations/ corporate governance requirements

3.1.10.5 Board evaluation: self-evaluation

3.1.10.5.1 The Board’s effectiveness shall be monitored through an annual performance evaluation

3.1.10.5.2 The Board Nominations and Remuneration committee shall be responsible for conducting the annual self-evaluation, report its findings to the Chairman of the Board and then recommend a plan to address identified areas of improvement. The performance evaluation process shall be circulated to all members upon their joining the board

3.1.10.5.3 The Board, through the Board Board Nominations and Remuneration committee, shall also ensure that each Board committee conducts a regular self-evaluation of its performance and the performance of its members

3.1.10.6 Board members' Compensation

Compensation to Board members shall be in accordance with the SAMA regulations on Board members' compensation

Other local regulations, including those from the Ministry of Commerce and Investment that define guidelines for board member compensation must also be considered

The compensation of the external members of committees (Non-board members), hired as external experts, shall be determined by the board and shall be comparable to market rates to ensure an adequate expert caliber is attracted

The Bank must ensure that Board members' remuneration details, as well as the mechanism used to calculate it, be made public as per regulatory requirements

3.1.10.7 Board Secretary

3.1.10.7.1 The Board Secretary is appointed by the Board, and is tasked with the role to support the Chairman in ensuring the smooth functioning of the board. The responsibilities of the Board Secretary are to:

3.1.10.7.2 Assist the Chairman of the Board in the logistics of the Board and Board committee meetings.

3.1.10.7.3 Ensure meeting agenda and the information pack – in its entirety – is sent at least 7 working days in advance of meeting date.

3.1.10.7.4 Maintain detailed meeting and decision records of the Board with the necessary archiving Meeting minutes must include all discussions and votes made during the meetings, including objections or abstention from voting.

3.1.10.7.5 Distribute to concerned parties the final minutes of the Board meetings no later than 10 working days from the meeting date.

3.1.10.7.6 Act as authorized channel of communication and coordination with the related department to notify the executive management of all decisions of the board.

3.1.10.7.7 Ensure follow up on the board decisions and ensure its implementation by the executive management

3.1.10.7.8 Ensure regulatory compliance of Board affairs

3.1.11 Disclosure and transparency rules

The board should ensure the release of information as highlighted in the requirements of SAMA and the CMA in a timely manner.

Through ensuring adherence to the Disclosure Policy, The Saudi Investment Bank's Board should demonstrate its commitment to achieving the highest standards with regards to disclosure, and by acting in accordance with the spirit, intention and purposes of the applicable regulatory requirements, and by looking beyond form to substance. The Disclosure Policy should at all times reflect relevant obligations under applicable CMA listing rules and legislation.

For disclosure purposes, price-sensitive information is information that a reasonable person would expect to have a material effect on the price or value of The Saudi Investment Bank's securities. The Board has the ultimate responsibility for reviewing proposed disclosures and in making decisions in relation to what information can be, or should be, disclosed to the market.

In this regard, the Board must:

- Discuss, on an annual basis, the effectiveness of The Saudi Investment Bank's compliance with applicable regulatory requirements in relation to the disclosure of price-sensitive information

3.2 Board committees

Complying with Saudi regulators and Basel guidelines, the board has established the following five Board committees:

- Board Executive Committee
- Board Risk Committee
- Board Audit Committee
- Board Nomination and Remuneration committee
- Shariah Committee

3.2.1 Executive Committee

- The primary purpose of the committee shall be to oversee The Saudi Investment Bank's business strategy and its execution.
 - The committee shall be responsible for the reviewing, monitoring and approving key financial and non-financial business, investment and operational decisions for the bank within the authority defined by the board.

3.2.2 Risk Committee

The purpose of the Board Risk Committee is to advise the board regarding current and future plans and strategies for the bank's risk management, and provide oversight on the execution of such plans and strategies

The committee is responsible for assisting the Board in all activities and resolutions related to risk management, such as assisting the Board in the effective discharge of its responsibilities for business, market, credit, equity and other investment, financial, operational, liquidity and reputational risk management

3.2.3 Audit Committee

The primary purpose of the Audit Committee of the Board is to assist the Board of Directors in fulfilling its oversight responsibilities for the financial reporting process, the system of internal control including IT system control, the internal and external audit process

The Committee shall also assist the Board of Directors through the Management Compliance Committee to monitor compliance with laws, regulations and the code of conduct

3.2.4 Nomination and Remunerations Committee

The primary purpose of the committee shall be to provide recommendations to the Board for new board members and members of senior management; co-lead the assessment of board effectiveness together with the Board Corporate Governance sub-committee; and oversee the bank's personnel or human resource policies

The committee shall oversee the compensation system's design and operation, and ensures that compensation is appropriate and consistent with the bank's culture, long-term business and risk strategy, performance and control environment, as well as with any legal or regulatory requirements

3.2.5 Shariah Committee

The Shariah Committee is composed of three members and responsible for providing Shariah opinion on submitted applications and related contracts and forms.

The committee is also responsible for ensuring the bank compliance with Shariah principles. In addition, the committee handles Shariah related enquiries to the bank its customers.

3.3 Board Sub-Committees

The Board has also established the following Board Sub-Committee

- Board Corporate Governance Sub-Committee

3.3.1 Corporate Governance Sub-committee

The purpose of the Board Corporate Governance sub-committee is to enhance and maintain best-in-class corporate governance practices by ensuring, on behalf of the board, that these practices are implemented across all activities undertaken by the bank

In addition, the committee has the responsibility of ensuring that the bank is compliant with Saudi and relevant international corporate governance regulations at all times

The Committee reports to the Board Nomination and Remunerations Committee

4. MANAGEMENT GOVERNANCE MODEL

4.1 Management Committees

Management Committees are established for the purpose of recommending, deciding, approving and/or monitoring key topics in their respective areas of specialization. Equally importantly, they provide a platform for discussion between the top management team on important business and control areas for the Bank.

The Saudi Investment Bank has established the following seven management committees:

- Management committee
- Credit committee
- Asset / Liability (ALCO) committee
- IT Steering committee
- MSME Business Committee
- ECL-Management Committee
- Enterprise Risk Management committee
- information Security committee
- Compliance

The duties and responsibilities of each management committee have been identified in detail in the Bank's governance manual appendix.

4.1.1 Management Committee

The purpose of the Management Committee is to monitor and manage the bank's financial and operational performance, to monitor customer experience, to oversee the execution of the bank's strategy, to review the minutes and recommendations of other management committees, to take necessary measures within the committee's authorities or escalate these recommendations as per the authorities matrix, and to resolve issues escalated by other committees

The Committee shall make available the minutes of its meetings to the Board Executive Committee

4.1.2 Credit Committee

The Credit Committee is responsible for approving, reviewing, and monitoring of credit risk taking activities and overall credit risk management function

The Committee shall make available the minutes of its meetings to the Board Executive Committee

4.1.3 Asset / Liability (ALCO) Committee

The primary purpose of the committee is to monitor and manage the balance sheet (asset liability) risk. ALCO's role is to make strategic decisions regarding the mix and maturities of assets and liabilities and the level of medium/long term interest rate risk the bank shall accept. It shall also review the financial risk and capital management of the bank

The Committee shall make available the minutes of its meetings to the Board Executive Committee

4.1.4 IT Steering Committee

The Information Technology Steering Committee (ITSC) is a committee designed to establish and enforce the IT and Project management standards, policies, and procedures throughout the Bank

The primary purpose of the Information Technology Steering Committee is to assist the Chief Executive Officer to make decisions related to projects and initiatives. The Committee is responsible to closely review progress of all strategic initiatives, and approve new initiatives based on feasibility proposals

The Committee shall make available the minutes of its meetings to the Board Executive Committee

4.1.5 MSME Business Committee

The purpose of the (MSME) Business Committee is to provide guidance to effectively operate and manage the Micro, Small and Medium-sized Enterprises (MSME) Business Committee (the Committee) of The Saudi Investment Bank (SAIB)

4.1.6 ECL- Management Committee

The purpose of the ECL committee is a management committee and is responsible for ensuring compliance with the SAMA, IASB and Guidance on Credit Risk and Accounting for Expected Credit Losses (GCRAECL) requirements related to the implementation of and compliance with IFRS & to provide guidance on the effective operation of the Expected Credit Loss ("ECL") Committee of the Bank

4.1.7 Enterprise Risk Management Committee

The purpose of the Enterprise Risk Management Committee (the «Committee») is to support the effective implementation of the sound practices for the management and supervision of Enterprise risk, in co-ordination with the various Risk functions at the bank

The Committee must ensure the development and implementation of a risk governance so as to assist the Risk Committee, the Board of Directors, and management in making well-informed and timely decisions on strategic planning, risk management and capital planning

The Committee shall make available the minutes of its meetings to the Board Risk Committee

4.1.8 Information Security Committee

The Information Security Committee provides a multi-disciplinary committee chartered to discuss and disseminate information security issues and initiatives across the organization. It is the duty of this committee to ensure that the organizations information security objectives are appropriately prioritized and sufficiently resourced to achieve its purpose

The Committee shall make available the minutes of its meetings to the Board Risk Committee

4.1.9 Compliance Committee

The primary purpose of the Compliance Committee is to perform functions and responsibilities related to supporting adherence and ensuring the efficient implementation of the compliance policy and function at the bank in accordance with the principles and controls outlined by SAMA

The Committee shall make available the minutes of its meetings to the Board Audit Committee

4.2 Management Sub-Committees

Management sub-committees are established for the purpose of making recommendations on a particular topic to a predetermined Management or Board Committee

The Saudi Investment Bank has established the following eight management sub-committees:

- Sustainability sub-committee
- Business Continuity Management sub-committee
- Securities Valuation sub-committee
- Structured Solutions sub-committee
- Financial Fraud Control sub-committee
- Operational Risk sub-committee
- Stress Testing sub-committee
- Labor sub-committee

The duties and responsibilities of each management sub-committee have been identified in detail in the Bank's governance manual appendix.

4.2.1 Sustainability sub-committee

The Sustainability Committee is to establish SAIB as a recognized leader in sustainability within Saudi Arabia and global banking industry. The Committee is a strategic leadership body responsible for performing an oversight, advisory and advocacy role in supporting the successful implementation of the SAIB sustainability framework, putting it into practice across the organization and measuring and monitoring the results. The goals and function of the Sustainability Committee are to:

- Use the SAIB sustainability framework, policy and the agreed associated strategic sustainability priorities and targets to guide the implementation of sustainability across all phases and functions of the organization.
- Champion and embed sustainability into SAIB's corporate strategy, policies, procedures, management systems, activities and culture.
- Identify / support the identification and implementation of high leverage sustainability initiatives that will improve performance.
- Measure and report on performance internally and externally, maintaining a meaningful dialogue with stakeholders.
- Periodically review and adapt (as necessary) the agreed strategic sustainability priorities and targets in the context of evolving sustainability trends, risks, and opportunities.
- and report progress on initiatives to the executive management and the Board on a quarterly and annual basis

The sub-committee reports to the Management Committee

4.2.2 Business Continuity sub-committee

The primary purpose of the committee is to perform functions and responsibilities related to the management of contingency situations/ disasters in accordance with the Business Continuity Management Policy Framework

The committee is responsible for closely overseeing the activities during an emergency situation and handling all regulatory and media communication

The sub-committee reports to the Management Committee

4.2.3 Securities Valuation sub-committee

The purpose of the Securities Valuation sub-committee is to assist the Management Credit Committee in fulfilling its oversight responsibilities with regard to risk management and recommending to the Management Credit Committee the margin % and Loan to Value (LTV) ratio for stocks listed in the Saudi Stock exchange («Tadawul») for which lending against shares is being provided by The Saudi Investment Bank

The sub-committee reports to the Management Credit Committee

4.2.4 Structured Solution Approval sub-committee

The purpose of the Structured Solutions Approval sub-committee is to support the introduction, review, and recommendation of structured solutions products to the bank's portfolio for offer to clients

The sub-committee reports to the Management ALCO Committee

4.2.5 Financial Fraud Control sub-committee

The purpose of the Financial Fraud Control sub-committee is to ensure and oversee that policies and preventive measures are developed/adopted by the Bank to mitigate the impact and/or occurrence of fraud risks, with the objective of preserving the reputation and integrity of the bank

The sub-committee reports to the Management Enterprise Risk Management Committee

4.2.6 Operational Risk Management sub-committee

The purpose of the Operational Risk Management sub-committee is to oversee the effective implementation of the sound practices for the management and supervision of operational risk

The sub-committee reports to the Management Enterprise Risk Management Committee.

4.2.7 Stress Testing sub-committee

The Stress Testing sub-committee is responsible for the management of stress tests, (including creation and maintenance of robust stress testing methodologies) in line with SAMA guidelines, with the fundamental objective of protecting the Bank's capital and profitability. The key purpose of the committee is to assess the vulnerability of the Bank to plausible stress events through a rigorous, systematic and comprehensive stress testing

The sub-committee reports to the Management Enterprise Risk Management Committee

4.2.8 Labor sub-committee

The primary purpose of the committee is to ensure that the working environment at the Bank adheres to the local regulatory requirements

The sub-committee shall make available the minutes of its meetings to the Board Nomination and Remuneration Committee

5. SEPARATION OF RESPONSIBILITIES

5.1 Separation of board and management

Board and management complement each other's responsibilities but do not interfere in one another's. Board interference in executive responsibilities contradicts sound governance practices and must be avoided.

Board responsibilities are driven by two main responsibilities:

- **Set direction:** Engage constructively with management in setting the direction for the business and approve the strategic direction of the business
- **Provide oversight:** Monitor the performance of the bank across all functions through robust review mechanisms

The comprehensive list of Board responsibilities are outlined in the Banks's Articles of Association

In contrast;

Management responsibilities are driven by the following two responsibilities:

- **Execute:** Develop policies, procedures and frameworks to enable execution of the strategy approved by board. Implement all initiatives and deliver results within guidelines approved by board
- **Report back to board:** Report to the board on the bank's performance across all functions and highlight key risks. Recommend plans to address bank's shortcomings across all aspects

5.2 Separation of Chairman and CEO

There shall be a clear division of responsibilities between the roles of Chairman of the Board and the CEO to ensure effective separation of the roles of the Board on one hand and the management on the other hand

In this respect there are two overarching governance roles:

- The oversight of The Saudi Investment Bank and its activities by the Board versus
- The day-to-day management of the bank and its activities by the CEO and by the senior management team that reports to the CEO

The Chairman of the board is responsible for:

- Leading the board
- Overseeing the Bank's strategy and management
- Overseeing that effective external relations are in place (including with stakeholders such as shareholders, creditors, financial agencies, etc...)
- Overseeing the implementation of corporate governance standards.

The Chairman, together with the CEO, is co-responsible for the Bank with regards to its local regulator –SAMA, the CMA-, and to the government

The Chief Executive Officer (CEO):

- Shall exercise control and supervision over the business affairs and management of the Bank, subject to the general authority delegated by the Board and the Executive Committee, up to any limits they determine.
- Shall be responsible to the Board for the implementation of the regulations, policies, and decisions of the Board and the Executive Committee and shall furnish such reports to the Board as may be requested by the Board

- Must hold at least one meeting every year with the Nomination and Remuneration Committee in order to discuss the names of potential candidates for his succession at the top position of the Bank's management hierarchy. The Nomination and Remuneration Committee should then meet separately and independently to discuss the candidates presented by the Chief Executive Officer
- Shall keep at all times records of written and other confidential procedures for the facilitation of taking over the Chief Executive Officer's responsibilities, in case he is incapacitated or if he suddenly leaves his position. The takeover procedures shall also include the replacement of future Chief Executive Officers. The Chief Executive Officer shall revise these procedures regularly with the Nomination and Remuneration Committee.
- Shall submit to the Nomination and Remuneration Committee a strategy for the replacement and succession of the Chief Executive Officer

The CEO, together with the Chairman, is co-responsible for the Bank with regards to its local regulator –SAMA and the CMA, and to the government

5.3 Communication procedure between board members and management

Practical behaviors must balance the board members' knowledge and accountability and management's operational autonomy

The guiding principle is that board members have no individual power to tell staff what to do, including the CEO. The power comes from the collective nature of the board as a whole, not individual members

Direct communication between board members and management outside of board or committee meetings must always be through the Corporate Secretary. A board member wishing to engage individually with any member of the management team must inform the Corporate Secretary, who will then get the CEO's consent prior to contact/meeting

The board member must inform the Corporate Secretary of the meeting date, who will then inform the CEO, and the CEO can elect to participate in the discussion

Individual, direct engagement of board members with managers should be with the sole purpose to understand the business and/or the manager's capabilities and assess those, not to decide and direct

The CEO must raise deviations from the above principles with the Chairman who is in charge of realigning behavior with sound practice

Employees wishing to contact the Board of Directors must refer to the Board contact policy

5.4 Separation of CEO and the rest of the management team

The Saudi Investment Bank believes that the ability of a CEO to manage efficiently and effectively is highly dependent on his/her ability to maximize the value added contribution of his/her management team. His success is to a great extent measured not by what he/she as an individual is able to produce but by what his/her management team produces, collectively

Clear separation of duties and proper segregation of responsibility are key to allowing the CEO to dedicate time for carrying out his/her value adding functions which are: planning, organizing, directing, controlling and coordinating

The CEO shall ensure the engagement of the senior management team in the overall steering of the bank by:

- Maintaining an active and effective Management committee
- Ensuring the strict implementation of the delegation of authority matrix

5.5 Delegation of authorities

The bank's business and operations must be conducted and managed through a system of delegated authorities

The management and employees will be delegated the authority that they need to perform their responsibilities effectively

The bank shall store a comprehensive record of the delegated authorities in a single repository – the delegation of Authorities (DoA) matrix

Delegating an authority to a subordinate does not relieve the higher authority levels of their accountability for the authorities vested in them

Management personnel have the **right** to exercise the authority that is attached to their position and have an **obligation** to do so in a judicious manner and in the best interests of the bank

6. BANK OVERSIGHT OVER BUSINESS PARTNERS

6.1 Business Partners overview

The Bank's equity investments in Subsidiaries and Associates are considered to be strategic investments with a long term investment horizon. The objective is to develop strong partnership models with investee companies with an aim to deliver strong returns on investment and a robust cross-selling/referral framework to enhance the profitability of the entire Group. The Bank aims for investment in companies with complementary financial products and services and ability to generate substantial value creation and cash flow over time.

6.2 Operational separation as per regulation

The Saudi Investment Bank's oversight of its associates shall at all times respect the domestic regulation on separation of operations between the parent and its subsidiary. In this respect, no direct managerial reporting line shall exist between the subsidiaries and the bank.

6.3 Business Partners oversight levers

Recognizing the importance of subsidiaries and associates oversight, The Saudi Investment Bank has a dedicated Business Partners unit within the Treasury & Investments Group responsible for maintaining an effective oversight of the partner companies and promoting cross-selling efforts. SAIB's Investment Policy guideline for Subsidiaries and Associates as well as Business Partners Policies and Procedures Manual guide the parent-subsidiary relationship.

- Primarily, the Saudi Investment Bank shall exercise adequate oversight over its subsidiaries and associates through two main levers:
- Representation on the board of subsidiaries and associates: The Saudi Investment Bank shall be represented on the board(s) of its subsidiaries or associates as well as the board sub-committees of investee companies.
- Periodic control reporting: With the main objective of ensuring risk oversight, and while maintaining operation independence, the Saudi Investment Bank will, In line with its established subsidiary and business associates' monitoring process, prepare quarterly reports for all Subsidiaries and Associates to be presented to Asset / Liability Committee (ALCO) and semi-annual performance reviews to be presented to SAIB Board of Directors.

7. DIRECTION SETTING AND CONTROL LEVERS

7.1 Direction setting levers

7.1.1 Strategy

The Saudi Investment Bank shall put a multi-year strategy in place. This strategy is essential to having common understanding of the current state of the business, where it is heading and what resources the bank needs to deploy, to achieve its vision. Having a strategy enables clarity, focus and direction. It also allows alignment of efforts by all internal stakeholders to achieve the long term goals. The Board shall ensure that the bank has a valid and approved strategy at all times. The Board also has the responsibility to ensure that management is aligned to the strategy and that it executes the strategy as approved.

7.1.2 Planning and Budgeting

Management shall put in place an annual profit and capital plan. The Annual Profit and Capital Plan (the Plan) is the foundation of the consolidated operational planning for the coming year for The Saudi Investment Bank (the Bank) and its consolidated subsidiaries. The purpose of the Plan is to set forth the consolidated financial objectives of the Bank for the Plan year, to generate a consolidated projected profit and balance sheet performance for the Plan year, and to provide the basis on which to evaluate the individual profit and balance sheet performance for individual business units, support units, and subsidiaries of the Bank for the Plan year.

The Plan is initiated by the Bank's Chief Financial Officer (the CFO) after consultation with the Chief Executive Officer (CEO). The Plan process generally begins in June of each year. The Plan is the responsibility of the Financial Planning and Control Unit (FPC) of the Bank.

7.2 Control levers

7.2.1 Governance

The Saudi Investment Bank shall put in place the function of General Manager – Corporate Governance who would act as the executive arm of the Board Corporate Governance sub-committee at management level

The General Manager – Corporate Governance shall be in charge of ensuring that the bank continuously follows sound corporate governance practices.

The General Manager – Corporate Governance is to be the custodian of the corporate governance manual, the delegation of authority, all policies & procedures and the conflict of interest registry

The General Manager – Corporate Governance shall be in charge of the Governance function and shall report to the Board Corporate Governance sub-committee on governance matters. The General Manager – Corporate Governance shall report to the CEO

7.2.2 Internal Audit

The Saudi Investment Bank views Internal Audit as an agent for continually enhancing the bank's governance, risk management and controls. The Audit Committee shall ensure that the audit function is always adequately staffed with the right caliber and number of resources to conduct its responsibilities effectively.

Internal Audit is managed by the Chief Internal Auditor (CIA) whose appointment shall be approved by the Board based on the Audited Committee recommendation. The Chief Internal Auditor shall be responsible, among other things, of sharing all reports with the Audit Committee, and the CEO.

7.2.3 Compliance

The Compliance Division shall be responsible for combatting money laundering, the financing of illegal activities, and the risk of market abuse, including compliance with all relevant regulatory directives as imposed by regulators (such as SAMA and CMA), and shall take any action designed to ensure that the integrity of the Bank towards its customers and markets. In that respect, the Compliance function shall help the management to identify, evaluate such risks and to mount an adequate response to such risks.

Compliance shall be managed by the Head of Compliance who shall report to the CEO.

7.2.4 Risk Management

The Saudi Investment Bank's Risk department shall be responsible for the identification and management of risks across all bank's activities. This shall include the areas of credit risk, market risk, liquidity risk, operational risk, and reputational risk.

Risk shall be managed by the Chief Risk Officer whose Balanced Score Card must be approved by the Board Risk Committee.

7.2.5 Information Security

The commitment to safeguarding the personal and confidential information of customers and employees is crucial to the success of The Saudi Investment Bank. Where the bank collects, maintains and uses data, they must protect that data to the fullest extent possible by maintaining high standards of data and technology security.

Information Security is governed by the Information Security Policy

7.2.6 IT Governance

The confidentiality, integrity and availability of information are essential for the Saudi Investment Bank to maintain its competitive edge, cash-flow, profitability, legal compliance and commercial image. This makes it necessary for the Bank to continuously define, document, communicate, implement and audit information systems' security

7.2.7 Internal communication

The main goal of internal communication shall be to strengthen the organizational culture and level of commitment of bank employees. Specifically, internal communication shall also be responsible, together with the General Manager – Corporate Governance, for raising awareness around and instilling the bank values and Corporate Governance principles

7.2.8 Shareholder communication

The Saudi Investment Bank shall provide adequate and accurate information to its shareholders. The bank shall enable its shareholders to make informed decisions about their investment in the bank

In order for the market to have an understanding of the business operations and performance, the bank shall aim to provide shareholders with access to quality information, at minimum in the form of:

- Interim and final results
- Annual reports
- Shareholder newsletters
- General Assembly meetings

The bank shall ensure the availability of an extensive investor relations section on its website which includes all publishable information which concern investors, including a notification on the dates of planned General Assembly meetings

All other price sensitive information will be released to the CMA in a timely manner; and shall be published on the bank's website, and where necessary, on sources for the public to read

The Saudi Investment Bank will also provide shareholders with a comprehensive outline of the bank's corporate governance approach and the ongoing activities designed to enhance governance

The Shareholder Relations Department shall assume the shareholder communication responsibility

8. Appendix

8.1 Appendix I: Board Committee Charters

These general provisions are valid for all Board Committees:

Formation and composition:

- The Board may establish Board Committees which assist it in performing its responsibilities
- The Chairman of the Committee and Committee members shall be selected by the Board
- Committee terms and membership shall be limited to a period of three years, unless otherwise stated in the respective committee charter
- Committee terms and memberships shall be renewable by the Board up to two additional terms
- Each Committee shall have a nominated Secretary approved by the Committee's members
- The Secretary shall be the authorized channel of communication of all Committee decisions

Meetings:

- All the annual meetings of the Committees shall be scheduled at the beginning of each year
- The meetings' agenda shall be determined by the Chairman of the Committee, and shall be provided via the Secretary of the Committee, to Committee members 10 business days in advance with the accompanying documents for the meeting. In exceptional cases, the Chairman can decide to have the agenda and/or the accompanying documents forwarded within a shorter period of time. Meetings may be held without notice if all of the members waive notice
- The Committee may conduct meetings through video or teleconferencing or by circulation, provided that meeting in person is the normal standard
- The quorum for the meeting is the majority of its members, unless otherwise specified in the committee charter
- Board Committee members may, unless otherwise specified, delegate to another Board member to attend Committee meetings and vote
- The Committees must act upon their authorities as stipulated in the Bank's Delegation of Authority Matrix
- The decision-making process is through consensus and when there is no consensus; decisions shall be reached by a simple majority decision by a voting process. If there is a voting deadlock, the Chairman or the acting Chairman shall have the casting vote
- Minutes shall be approved by the Chairman of the Committee, within 10 business days from the meeting and included in the papers for the following Board meeting.

Minutes shall then be circulated via email to all Committee members for approval. Once the Secretary has received the approval of two Committee members (apart from the Chairman), the minutes are deemed to be final

- Board Committee members shall receive attendance allowance against each Committee meeting
- Committee members who are not Board directors shall be paid competitive market rates
- All expenses incurred by members to attend Board Committee meetings shall be reimbursed

Performance:

- The Committee Chairman shall report to the Board on its proceedings after each meeting
- The Committee shall, once a year, review its own performance, constitution and terms of reference to ensure it is operating effectively and report to the Nominations and Remuneration Committee. The results of the evaluation of the Nominations and Remuneration Committee shall be reported to the Board
- Any member of a Board Committee may be removed and replaced at any time by the Board, and shall automatically cease to be a member when the member ceases to be a Director