The Chairman of the Authority’s Board of Directors’ Decision No. (06 /Chairman) of 2022 Amending Some Provisions of Public Joint Stock Companies Governance Guide Approved by the Chairman of the Authority's Board of Directors' Decision No. (3 / Chairman) of 2020

The Chairman of Securities and Commodities Authority
Having perused:
Federal law No. (4) of 2000 concerning the Emirates Securities & Commodities Authority and Market, as amended;
Federal Decree No. (110) of 2021 on Formation of the UAE Cabinet;
Cabinet Resolution No. (13) of 2000 concerning the Regulations as to the Functioning of the Securities & Commodities Authority, as amended;
Cabinet Resolution No. (34C /1M) of 2022 regarding the Reformation of the Board of Directors of the Securities and Commodities Authority;
Authority’s Board of Directors’ Decision No. (157/R) of 2005 concerning the regulations as to listing and trading of commodities and commodities contracts, as amended;
Chairman of the Authority’s Board of Directors' Decision No. (16 / Chairman) of 2018 concerning Determination of the Authority Competent to Take Decisions related to the Procedures for Activities and Services Subject to the Control and Supervision of the Authority, as amended;
Chairman of the Authority’s Board of Directors’ Decision No. (13/Chairman) of 2021 on the Rulebook of the Financial Activities and Status Regularization Mechanisms; as amended;
Based on the approval of the Authority’s Board of Directors at its first meeting of the eighth round at its session dated 26/01/2022;
And based on requirements of the public interest.
Decided:

Article (1)

Clause (5) of Article (9) of the Public Joint Stock Companies Governance Guide approved by the Chairman of the Authority's Board of Directors' Decision No. (3/

Chairman) of 2020 shall be amended as follows:

"The Articles of Association shall determine Executive Board members, Non-Executive Board members and Independent Board members, provided that at least one-third of Board members shall be non-executive Independent Board members who have the technical skills and experience required to serve the interests of the Company. In all cases, when selecting Non-Executive Board members of the Company, it shall be taken into consideration that a Board member is able to dedicate adequate time and effort to his/her role and that such role is not in conflict with his/her other interests."

Article (2)

Clause (4) Article (40) of the Public Joint Stock Companies Governance Guide approved by the Chairman of the Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 shall be amended as follows:

"Without prejudice to the provisions of article No. (180) of the above- mentioned Federal Decree- Law No. (32), the general assembly may appoint one or more representatives of the shareholders, who will be nominated by the Company Board based on the company's need, to attend the meetings of the general assembly and vote in its decisions on behalf of shareholders. The general assembly shall define their fees. The representative shall be form law firms included in the list of practicing lawyers in the State or financial analysts accredited by the Authority in accordance with the above- mentioned Authority’s Board of Directors’ Decision No. (13/ Chairman) of 2021 or from any other entity approved by the Authority, pursuant to the following provisions:

A.The company shall insert in the agenda attached to the invitation addressed to the shareholders, names and contact details of the shareholder representatives entitled to represent the shareholders in general assembly meetings and vote on their decisions.

B.The company shall bear the appointed representative fees.

C.A shareholder shall authorize the appointed representative by filling the power of attorney form attached to the invitation addressed to the shareholders. The power of attorney form shall be sent to the company before at least (5) five days from the date set for holding the general assembly. The form shall include clearly and expressly the shareholder’s instructions for voting on the items mentioned in the agenda of the general assembly, provided that the following shall be observed:

-The appointed representative shall not vote on the items mentioned in the general assembly agenda, which the shareholder does not issue voting instruction thereabout.

-In the event of listing a new item in the general assembly agenda based on the article No. (182/2) of the above- mentioned Federal Decree- Law No. (32), the appointed representative shall not vote on this item, unless the shareholder issues voting instructions in this regard.

D.The shares for which power of attorney are issued shall be calculated within the quorum of general assembly meetings.
E.The shares for which a shareholder does not issue voting instructions shall not be calculated within the quorum necessary for the decision issuance.
F.The appointed representative shall mange the conflict of interest between his tasks as an appointed representative and his relation to the company and disclosing the same.
G.The appointed representative must attend the meeting in person and may not delegate another person to attend the meeting.
H.The appointed representative to act on behalf of shareholders shall accept such delegation according to the priority of submitting applications thereto.
I.The shares may not be divided for more than one representative. No representative for part of the shareholder shares shall be accepted.

Article (3)

Every provision of any other decision that contradicts the provisions of this Decision shall be repealed.

Article (4)

This decision shall be published in the Official Gazette, and shall come into effect on the day following the date of its publication.

Mohamed Ali Al Shorafa Al Hammadi
Chairman of SCA Board

Issued in Abu Dhabi on 25/2/2022
