

## **Circular on the Annual General Assembly Meetings of Public Joint-Stock Companies for 2024**

Given the close date of holding the general assemblies for public joint-stock companies, this circular has been issued to remind and confirm some of the provisions stipulated in both Federal Decree-Law No. (32) of 2021 on commercial companies (hereinafter referred to as “the Decree-law”) and the Chairman of Authority's Board of Directors’ decision No. (3/Chairman) of 2020 Concerning the Approval of Public Joint Stock Companies Governance Guide, particularly the following:

### **First: General Provisions**

1. The invitation to the general assembly meeting shall not be published in the newspapers except after the Authority approves the publication and providing the same with a copy of the (invitation announcement draft / draft announcement of the Board Membership Candidacy opening, if there is an election of the Board members) according to the forms available on the Authority's website <https://www.sca.gov.ae/ar/corporate-governance.aspx>, emphasizing on the necessity that the invitation announcement draft for the general assembly presented to the Authority shall include the meeting agenda, and in particular specifying the proposed profits to

be distributed to shareholders and the proportion and amount thereof and distribution dates **(In the absence of a distribution proposal, the same shall be mentioned in the invitation)**. In the event that the quorum is not met and an invitation for a second meeting is issued, the date on which the ownership of shares becomes eligible for dividends must be redefined.

2. A notification of the company general assembly invitation shall be sent to the market in which the company shares are listed, before announcing shareholders through newspapers.
3. The invitation to hold the General Assembly meeting shall be addressed, after the Authority's approval, to all shareholders, taking into account the following controls:
  - a. Announcing the invitation to the General Assembly at least (21) twenty-one days before the date set for the meeting in accordance with the provisions of Article (174) of the Companies Law, even if the Articles of Association stipulate a shorter period.
  - b. Publishing the announcement of the invitation to the meeting on the company's website and the financial market in which the company's shares are listed.
  - c. Notifying shareholders by registered letters or through modern technology means in accordance with what is stipulated in the Articles of Association.

4. The announcement of the invitation to the General Assembly meeting must include the agenda, place, date and time of the first meeting and the second meeting if the legal quorum for the validity of the first meeting is not met, demonstrating the person entitled to attend the meeting, and the possibility of appointing someone of his choice to represent him by virtue of an approved special power of attorney, as well as the shareholder's right to discuss the topics included in the agenda of the General Assembly and to direct questions to the Board of Directors and the auditor, in addition to the legal quorum required for the validity of each of the General Assembly meeting and the resolutions issued therein, and demonstrating the person entitled to distributions, if any.
5. The general assembly shall be presided by the company Board chairman. In his absence, his deputy shall preside, and in their absence, any member of the Board of Directors chosen by the Board shall preside. If the Board of Directors does not choose a member, the general assembly shall select any person to preside over the meeting. Additionally, the general assembly shall appoint a rapporteur for the meeting and a vote collector. If the General Assembly is considering a matter related to the chairman of the meeting, the General Assembly must choose from the shareholders, the one who will preside over the meeting during this matter discussion.

6. Each shareholder has the right to attend the general assembly and shall have votes equal to the number of his shares. Anyone who has the right to attend the General Assembly may delegate someone of his choice other than the board members or employees of the company or a securities brokerage company or its employees to represent him by virtue of a special power of attorney in writing that explicitly states the right of the attorney to attend the meetings of the General Assembly and vote on its resolutions. The attorney of a number of shareholders must not hold in this capacity more than (5%) of the company's issued capital, and those who lack legal capacity or are incapacitated shall be represented by their legal representatives.
7. The signature of the shareholder mentioned in the power of attorney referred to in the previous clause shall be the signature approved by/with one of the following entities, and the company shall take the necessary procedures to verify this.
  - a. Notary Public.
  - b. A Chamber of Commerce or an Economic Department in the State.
  - c. A bank or company licensed in the State, provided that the principal has an account with either of them.
  - d. Financial markets licensed in the State.
  - e. Any other entity licensed to carry out documentation work.

8. Pursuant to the above- mentioned clauses 6 & 7 above, the form of the power of attorney shall include the contact numbers of the shareholder and the name and contact numbers of a representative of the brokerage company or the entity that approved the power of attorney.
9. A legal person may delegate one of its representatives or administrators under a resolution of the Board or its representative, to represent it in the company general assemblies, and the delegated person shall have the powers determined according to the delegation resolution.
10. If a shareholder or its representative withdraws from the General Assembly meeting after the quorum became complete, such withdrawal shall not affect the validity of convening the General Assembly, and the resolutions shall be issued under the majority prescribed by law as for the remaining shares represented in the meeting.
11. The General Assembly may not deliberate on matters other than those included in the agenda, with the exception of serious incidents detected during the meeting. If the Authority, a shareholder, or a number of shareholders who own no less than (5%) of the company's capital shares request, before starting to discuss the agenda of the General Assembly, the inclusion of an additional clause(s) on the

agenda of the Assembly, the Chairman of the meeting shall include the clause(s) on the agenda, provided that the requirements stipulated in Article (45) of the Governance Guide are taken into account.

12. It is prohibited to include a new clause on the agenda of the General Assembly in the following cases:
  - a. If taking a resolution on the new clause requires issuing a special resolution by the General Assembly referred to in Article (46) of the Governance Guide.
  - b. If the new clause relates to the dismissal of all or some members of the company's Board of Directors.
13. Each shareholder attending the General Assembly has the right to discuss the topics listed in the agenda of the general assembly and direct the questions to the Board members and the auditor. The Board members and the auditor shall reply the questions to the extent that does not damage the company interest. The shareholder may refer to the General Assembly if he considers that the reply to his question is not sufficient and the General Assembly resolution shall be enforceable.
14. Prepare the minutes of the general assembly meeting that includes the names of the attending shareholders or their representatives, the number of shares in their possession in person or by proxy, the

number of votes assigned to them, the resolutions issued and the number of approved or rejected votes, a full summary of the discussions that took place in the meeting, and sign the minute and the attendance list by the chairman of the assembly, its rapporteur, the votes collector and the auditor. The Authority and the competent authority shall be notified with a copy of the assembly meeting minutes within **fifteen days** from the date of its issuance. The company must provide the relevant market with the results of the meeting of the general assembly once the meeting ends and before the trading session on the day following the date of the assembly.

15. The Authority and the competent authority may send one controller or more on behalf of each of them to attend the general assembly meetings of companies, without any of them having the right to vote, and their attendance shall be registered in the minutes of the general assembly meeting.
16. If a company General Assembly is unable to adopt a resolution regarding the appointment of its auditor at its annual meeting according to the provision of both Articles (245, 246) from the Decree-Law, the Authority has the right to appoint the company's auditor for a fiscal year and determine its fees.
17. If the company wishes to amend the Articles of Association and memorandum of association, a special resolution must be issued by

the company General Assembly to amend its Articles of Association or memorandum of association, after obtaining the approval of the Authority. The concerned authority shall be provided with a copy of this resolution.

18. The company shall publish the proposed amendments, along with the justifications for these amendments to the Articles of Association on the company website and the relevant market website before the date of the general assembly meeting, which will discuss these amendments, as well as any reports, studies or proposals that need to be shared with the shareholders before the assembly.
19. In the event that the General Assembly agenda includes an item that needs a special resolution, especially those related to the company capital structure, mergers, acquisitions, or the continuity of the company or not, and other important matters, the report and detailed documents related to this item must be provided along with the invitation and the agenda.

**Second: Annual General Assemblies: -**

1. The Annual General Assembly meeting shall be held during the four months following the end of the fiscal year of the company in accordance with the provisions of Article (173) of Federal Decree-Law No. (32) of 2021 on the Commercial Companies Law, provided that

the second meeting shall be held in the event that the quorum for the first meeting is not met within the aforementioned period.

2. If a Board meeting is held to consider the general assembly invitation, that meeting shall be held at least thirty days before the date of the General Assembly annual meeting and immediate disclosure shall be made to shareholders in accordance with a detailed notice to the market and on the website of the company immediately after the Board meeting ends on the resolutions of the Board and the proposed date of the general assembly.
3. The Authority must be provided with the following documents with the request for approval of the Annual General Assembly: -
  - Draft announcement of opening the Board Membership Candidacy (if there is a clause for the election for the Board members).
  - Draft articles of the memorandum of association to be amended (schedule includes the text before and after the amendment and the justifications for the amendments) in the event that the invitation to the general assembly includes issuing a resolution to amend the articles of the memorandum of association.
4. Integrated Report
  - Companies shall comply with disclosing the integrated report (including all reports mentioned in Article (76) of the Governance Guide) and ensure that the disclosure is published on the

company's website and the electronic market during the first three months from the beginning of the company's fiscal year and at least ten days before the General Assembly meeting, whichever comes first, as stipulated in Article (76) of the Governance Guide.

- The integrated report shall be disclosed on the company's page on the financial market's website. The company shall directly upload the report (including the governance report) **without obtaining the Authority's prior approval to publish it. The responsibility for the accuracy of the data contained in the reports lies with the board of directors of public joint-stock companies and the external auditor.**
- The integrated report includes the following:
  - a. Board of Directors' report.
  - b. Auditor's report.
  - c. Annual financial statements and their notes.
  - d. Governance report.
  - e. Sustainability report.
  - f. Sharia Supervisory Committee report, if any.
- While committing to disclose the reports referred to in the previous clause within one report (the integrated report), these reports may be disclosed separately.

5. Sustainability report (Environmental, Social and Governance Disclosure). **Companies shall adhere to the requirements for the sustainability report according to the instructions issued by the financial markets in the State.**

6. **Governance Report for the year 2023-2024:**

- The company shall prepare the governance report for the year 2024 according to the (attached) form approved by the Authority and the governance report shall be added to the company's integrated report, taking into account the commitment to include all data and information in the report as shown in the report form attached to this circular.
- In the event that companies do not comply with disclosing the report within the specified period or the report does not include the minimum required information according to the approved form, actions will be taken according to bylaws and regulations applicable to the Authority.
- The company shall fill out the governance report data verification form (attached) and have it signed by the company's Board Secretary.

7. The annual audited financial statements shall be disclosed before obtaining the Authority approval on publishing the Annual General Assembly meeting invitation.

- The annual and quarterly financial reports shall include a report on Management Discussion and Analysis according to the form attached to this circular.

- The annual and quarterly financial reports shall include identification of the persons responsible for financial statements. A note shall be added to include the signatures of the persons authorized to approve the financial statements, and the following phrase shall be added in Arabic and English language.

"To the best of our knowledge, the financial information included in the report fairly presents in all material respects the financial condition, results of operation and cash flows of the company as of, and for, the periods presented in the periodic report".

8. The General Assembly may not authorize the Board to appoint the auditor or define its remuneration.
9. For the appointment of an auditor for public joint-stock companies, the auditor must be accredited with the Authority according to controls mentioned in the Authority's Board of Directors' decision No. 25 of 2015 regarding registration of auditors of public joint stock companies and investment funds. The auditor shall also submit a valid copy of the registration certificate or certificate of renewing registration in the register of auditors accredited by the Authority.
10. The accounts auditor shall be appointed in accordance with the provisions of Article (245) of the Decree Law, as the general assembly shall appoint an accounts auditor company for a renewable period of one year and the company's board of directors may not be authorized

in this regard, provided that the auditor company shall not assume the auditing process of the company for more than (6) six consecutive financial years from the date of assuming its auditing tasks of the company and, in this case, the partner who is responsible for the auditing processes in the company shall be changed after (3) three financial years, and that company may be re-appointed for auditing the company's accounts after at least (2) two financial years from the date of expiration of the period of their appointment.

11. The public joint stock company shall comply with the mechanism of paying the remuneration of the chairman and members of the board of directors, provided that the policies of paying expenses, fees, additional bonuses, or a monthly salary for them, **shall be approved by the company's general assembly** as stipulated in Article (29) of the Governance Guide stating that:

- The remuneration of the chairman and members of the board shall consist of a percentage of the net profit provided that such percentage shall not exceed (10%) of those profits in the financial year after deducting the depreciations and reserves.
- The company may pay expenses, fees, additional bonuses, or a monthly salary to the member of its board of directors in accordance with the policies suggested by the candidacy & remunerations committee that shall be reviewed by the

company's board of directors and approved by the company's general assembly, if the member works in any committee, exerts special efforts, or performs additional tasks for serving the company along with his normal duties as a member of the board of directors. No attendance allowance shall be provided to the chairman and the members of the board of directors for attending the board meetings.

- The fines imposed on the company by the Authority or the competent authority - as a result of the company's board violations of the Companies Laws or of the company's Articles of Association during the elapsed financial year - shall be deducted from the remuneration of the chairman and the members of the board of directors. The general assembly may decide not to deduct such fines or some of them if it finds that those fines are not resulted from a default or a mistake committed by the board of directors.

Moreover, the company shall present any expenses, fees, additional bonuses, or salaries, paid by the company to the members of the board, to the annual general assembly for approving them.

- As exception from Paragraph (1) of Clause (11), and as stated in Article (171) of the Commercial Companies Law, and according to the rules issued by the Authority in this regard, a member of

the board of directors may receive fees consisting of a lump sum not exceeding (AED 200,000) two hundred thousand dirhams at the of the financial year, as long as the company's Articles of Association allows this and after obtaining the general assembly's approval on payment of these fees in the following cases:

- a. If the company does not make profits.
- b. If the company made profits and the portion of the member of the board of those profits is less than (AED 200,000) two hundred thousand dirhams as, in this case, it is impermissible to combine the remuneration and the fees.

## **12. Dividends**

- The General Assembly of the company shall determine the percentage to be distributed to the shareholders from the net profits after deducting the statutory reserve and the optional reserve. The company Articles of Association may specify the distribution of annual, semi-annual or quarterly dividends, and the company must deposit the cash dividends to the registered shareholders on the tenth day starting from today following the date of the General Assembly meeting in which it is decided to distribute those profits, so that the process of paying the cash dividends to shareholders does not exceed thirty days from the

date of the decision to approve these dividends. The company shall deposit the cash dividends in the market's bank account, within the period and according to the mechanism specified by the market.

- If the company makes profits and the board of directors recommends not distributing profits to the shareholders, the board of directors shall provide the shareholders in the assembly with the justifications of the recommendation and it shall attach a copy thereof to the application filed before the Authority for approving the invitation to the assembly. The agenda shall include a clear clause on "the consideration of the approval on the board of director's recommendation on non-distribution of dividends to the shareholders based on the justifications provided by the board in its report to the shareholders".
- If the company makes profits for the financial year ended on 31/12/2023 and if there are accumulated losses for previous years, the accumulated losses shall be fully amortized before carrying out any distribution to the shareholders.
- When decreasing the capital by the accumulated losses value, the company shall:
  - a. commit that the value of the capital reduction does not exceed the value of accumulated losses shown in the latest audited

annual financial statements; and if the reduction is by the value of accumulated losses shown in subsequent periodic financial statements, these statements must be audited.

- b. first use the reserve balances to extinguish the losses, followed by reducing capital by the value of the remaining accumulated losses.

13. The annual general assembly agenda shall contain the issues outlined below in accordance with the provisions of Article (179) of the Commercial Companies Law:-

- The Board report on the company's activity and its financial position during the year, the report of the auditors, and the report of the internal Shari'a Supervisory Committee (if the company practices its activities in accordance with the provisions of Islamic Sharia) and their approval.
- Company budget and profit and loss account.
- Election of Board members when necessary.
- Appointment of members of the Internal Sharia Supervision Committee (if the company is operating in accordance with Islamic Sharia).
- Appointment of auditors and determination their fees.

- Board proposals regarding the distribution of profits, whether they are cash dividends or bonus shares (the type and amount of the distribution and its ratio to capital must be specified).
  - Board Proposal regarding Board members remunerations and determination of the same.
  - Discharge, not discharge, or dismissal of Board members, or initiating responsibility lawsuits against them, as the case may be.
  - Discharge, not discharge, or dismissal of auditors or initiating responsibility lawsuits against them, as the case may be.
14. The report of the Board, the auditor report and the annual financial statements submitted to the general assembly shall include the details of any transactions made or will be made by the relevant parties who are as following:
- Chairman and members of the company's board of directors, and their relatives.
  - The members of the supreme executive management, and their relatives.
  - The employees of the company.
  - The companies where any of the above persons is a shareholder holding at least 30% of its capital.
  - The company's parent company or the affiliated, sister, or allied companies.

- The major shareholders in the company (every shareholder who owns 5% or more of the company's shares or the voting rights therein).
  - The chairman and members of the board of directors of the company's parent company or the affiliated, sister, or allied companies.
  - The companies where either the chairman or the members of the company's board of directors or the members of the company's senior executive management, are members in the board of directors thereof or are one of the senior executive officers therein.
15. In the event of entering into transactions with relevant parties of a value exceeding (5%) of the issued capital, the same shall be evaluated by an evaluator approved by the Authority, before being submitted to the general assembly. In such case, the company shall submit to the Authority an application for approving the evaluator who will carry out the evaluation process, along with his commercial license and an acknowledgment by the evaluator of his previous tasks in this field and that there is no interests conflict in carrying out his task of evaluation of these transactions. The company's board of directors shall check that there is no interests conflict whatsoever between the evaluator of these transactions and the relevant parties. The Authority shall, after reviewing the evaluator's previous tasks

and his resume, be entitled to approve his appointment as an evaluator for that transaction or it shall request the company to nominate another evaluator. Moreover, the relevant party may not participate in the voting on the general assembly resolution issued concerning that transaction.

16. The general assembly meeting shall not be valid unless attended by shareholders who possess or represent by proxy (or who have voted by remote electronic voting) not less than (50%) of the company's capital unless the company Articles of Association specify a higher percentage. If that quorum is not met in the first meeting, the general assembly shall convene a second meeting after a period of not less than (5) five days and no later than (15) fifteen days from the first meeting date and the adjourned meeting shall be deemed valid regardless the number of the attendants.
17. Subject to the provisions stated in Article (146) of the Federal Decree-Law No. (32) of 2021 on Commercial Companies, the company Articles of Association shall specify the method of voting on the general assembly resolutions. However, the voting shall be confidential if it is related to the election or dismissal of the Board members or holding them accountable. The voting in the general assembly meetings may be conducted using electronic voting mechanisms, provided that the controls and conditions issued by the

Authority in this regard are adhered to, as the general assembly resolutions shall be issued by the majority of the shares represented in the meeting or any larger majority as specified by the Articles of Association in the resolutions made in the normal matters.

18. Subject to the provision of Article (180) of the Decree- Law, the board members may not participate in the voting on the general assembly resolutions related to discharging them from the responsibility for their management or that are related to a benefit for them, interests conflict or a dispute existing between them and the company.
19. As for the matters having a special nature (such as increasing or decreasing the company capital, amending the Articles of Association) and other matters that shall be executed under a special resolution issued by the general assembly after the Authority's approval), a resolution named "**the special resolution**" shall be issued therein as this is the resolution issued by the majority of the votes of the shareholders who possess no less than the three quarters of the shares represented in the general assembly meeting of the joint stock company.
20. The general assembly resolutions issued according to the provisions of this law and the company Articles of Association, shall be binding on all shareholders whether they are present, in person or remotely,

or absent in the meeting where those resolutions are issued and whether they accept or object to those resolutions.

21. The general assembly shall be entitled to dismiss the chairman of the Board, any member in the Board, or all Board members, and in such case, the general assembly shall authorize whoever it deems appropriate to be the chairman of the general assembly meeting, take the procedures of opening the candidacy, and invite the general assembly to elect new members of the Board instead of the dismissed members. The dismissed members may not be re-nominated for Board membership before passage of three years from issuance of the dismissal resolution, in accordance with the provisions of Articles (143) and (144) of the Companies Law and both of the Authority and the competent authority shall be notified thereof.

### **Third: Procedures for Board Members election**

- The following procedures shall apply to all local listed joint stock companies including the banks and companies licensed by the Central Bank:
  1. **Announcement of the opening of Board membership candidacy, along with the invitation of the General Assembly, according to the following steps:**
    - An application shall be submitted for obtaining the Authority approval on the draft announcement of candidacy opening along

with the General Assembly invitation before publication according to the Form available on the Authority's website <https://www.sca.gov.ae/ar/corporate-governance.aspx>, **at least 25 days** before the date of convening the General Assembly.

- The candidacy-opening announcement shall be published along with the General Assembly invitation in two local daily newspapers, one of which, at least, is published in Arabic, and in registered letters, or through the modern means of technology as per what is stipulated in the company Articles of Association at least (21) twenty-one days before the date of convening the General Assembly, even if the Articles of Association stipulated a less period.
- The Board membership candidacy shall remain open for ten days from the announcement date.
- The candidates' names and their information related to candidacy shall be published on the company's bulletin board, the company website and the market website in the International Information Network (Internet), at least two days before the date set for the company General Assembly meeting.
- After closing the candidacy, the candidate may not waive its candidacy for another person.

- Refraining from including a new clause to amend the Articles of Association to increase the number of members of the Board of Directors after opening the candidacy.
- The Authority and Market shall be provided with list of the names of candidates in the day following the candidacy closing.
- In the event that the competent local authority, to which the company is subject in one of the State emirates, requires a pre-approval of the names of the candidates before the election process, then these companies must observe the time periods referred to above so that the necessary approvals are obtained from those authorities in a timely manner in order to publish the names of the approved candidates at least **two days** before the date set for the company General Assembly meeting, with a reference to that matter in the announcement of the candidacy opening.
- Each person desiring to be a candidate shall submit an application to the company, attaching thereto the following documents:
  - a. Curriculum Vitae, indicating the practical experiences, educational qualifications, the capacity under which it desires to be a candidate (Executive, Non-Executive, Independent);

- b. A written acknowledgment of accepting the nomination and his compliance with the provisions of the Companies Law and the decisions issued in implementation thereof and the Company Articles of Association, and that it will exert the due care of a prudent professional person during the performance of its duties;
- c. A statement of the names of companies and corporations which it works for or serves as a member of the boards of directors therein, as well as any other works it performs directly or indirectly that constitutes a competition to the Company;
- d. In case of the legal person representatives, an official letter from such legal person shall be submitted, containing names of its candidates for Board membership;
- e. A criminal clearance certificate issued or approved by one of the official authorities in the United Arab Emirates or outside if the candidate resides outside the State, provided that it is attested in accordance with the procedures followed in the State.

- If all documents mentioned in the above- mentioned clause are not submitted during the period of opening candidacy for membership in the company's Board of Directors, the candidacy application will be considered null and void.
- The Authority shall be provided with the Candidacy and Remuneration Committee approval on List of candidates' names, by ensuring the application of the provisions of the articles related to controls of the nomination to Board of Directors membership and the conditions of the membership therein, which are stated in the Chairman of Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning the Approval of Public Joint Stock Companies Governance Guide at least two days before the company General Assembly meeting (approval form attached).

**2. Voting on the General Assembly resolutions relating to Board members election shall be made according to the following procedures:**

- General Assembly resolutions relating to election, dismissal or accountability of Board members shall be voted by cumulative secret voting. The voting in the general assembly meetings may be conducted using electronic voting mechanisms, provided that the controls and conditions issued by the Authority in this regard are adhered to, where the votes shall be calculated on the basis that

“each shareholder shall have votes equivalent to the shares it owns”, in accordance with Article (146) of Commercial Companies Law.

- An introductory profile about the candidates of Board membership shall be provided before the voting, giving shareholders a clear idea of the experiences and qualifications of the candidates.
- The voting process shall be carried out through a special voting card distributed to the present shareholders or their representatives at the meeting, provided that this card is prepared well in advance of the meeting, or through a computer program "voting system", or by electronic voting.
- If a shareholder votes with a number of votes exceeding the shares it owns, the excess votes will be reduced on pro rata basis among the candidates who votes for them.
- If a shareholder votes with a number of votes less than the shares it owns, it shall not be able to use its rest votes by adding them to a candidate.
- The candidates shall be arranged in descending order according to the number of votes obtained by each candidate, and the election of the candidates who obtained the largest number of votes shall be announced, taking into account the seats for independent

members who must constitute at least the majority of the members of the Board according to the election rules and conditions.

- If the company General Assembly is not able to take a decision regarding the election of the Board members in two consecutive meetings despite the availability of the quorum, the Authority shall refer the matter to the Board chairman and, after consulting with the competent authority and the bodies entrusted with overseeing the activity of that the company in the State, in order to appoint a temporary board of directors for the company for a period not exceeding a fiscal year.

### 3. **Representation of women in companies' boards of directors**

- The company must comply with the requirements of Clause (3) of Article (9) of the Governance Guide, such that women's representation should not be less than one member in the composition of the Board of Directors. The circular issued in this regard can be viewed through the link (<https://www.sca.gov.ae/ar/corporate-governance.aspx>).
- If a female member is not nominated in the Board of Directors elections, the seat reserved for women will remain vacant. Another general assembly must be held to fill this vacancy.

### **Fourth: Disclosure in Arabic and English**

- Invitation to shareholders shall be published in daily newspapers, and the website of the financial market and the company in Arabic and English.
- In addition to the means stipulated in the Companies Law that have been explained above, modern means of communication such as text messages and e-mail may be used to direct the invitation, provided that the procedures set out in Clause Seven below shall be taken into account.
- If there is an election of the Board members, upon inviting the shareholders to a General Assembly meeting, the candidacy opening shall be announced in daily newspapers and posted on the website of the financial market and company in Arabic and language.
- Simultaneous Interpretation service into Arabic and English shall be provided during the General Assembly meeting.
- The governance report and the integrated report must be disclosed before the annual general meeting and on the website of the financial market and the company in Arabic and English.
- The website of the financial market and the website of the company must disclose the results and minutes of the general assembly meetings in Arabic and English.

- All company disclosures on the website of the financial market and the company must be in Arabic and English, including the disclosure of the date of the Board meeting and the results of the meeting.
- Electronic links shall be added on the company's website to download and browse the investor's rights guide and Women's Nomination and Entry into Board Memberships guide issued by the Authority in both Arabic and English and this link (<https://www.sca.gov.ae/ar/services/minority-investor-protection.aspx>) shall be added to the shareholders 'invitation to the general assembly meeting.

**Fifth: Attending the General Assembly meeting using modern technical means**

**First: The general assembly meeting of a public joint stock company may be held using modern technology means for attending remotely without personal attendance, and the shareholder may participate in the deliberations of the meeting and vote on the decisions using modern technology means, in accordance with the following:**

1. The founding general assembly meeting, the annual general assembly meeting, and any general assembly meetings including

special resolutions shall be held in person, with the option of using modern technology to attend remotely.

2. Obtaining the Authority's approval if other General Assembly meetings are held other than those specified in Paragraph (2) of this clause.
3. The commitment of the meeting chairman to indicate the number of shares participating in the meeting through personal attendance, and through remote attendance upon announcing the completion of the quorum set for the meeting.
4. When voting on General Assembly resolutions, the votes collector shall be committed to indicating the number of votes participating through personal attendance, and through remote attendance on each General Assembly resolution.

**Second: When holding a general assembly meeting using modern technology for remote attendance, the company is committed to the following:**

- Provisions of the Commercial Companies Law regarding regulating the general assembly meeting of a public joint stock company, such as the announcement, quorum, voting mechanism on resolutions, and other provisions regulating those meetings.

- Including the registration mechanism for remote attendance in the announcement inviting shareholders to the General Assembly.
- Before the meeting, obtaining an acknowledgment from the shareholder of his approval to use remote attendance technology and his full knowledge of the mechanism for using this technology to attend and vote.
- The technology used for remote attendance shall include the following:
  - a. A mechanism for real-time visual communication (audio and video participation via an Internet application) to enable the shareholder to exercise his rights in real time, discuss the meeting items, submit and respond to his inquiries, and directly vote on every resolution.
  - b. A mechanism to verify the identity of the shareholder attending remotely, or his representative at the meeting, by matching the photo contained in the identification documents (ID card or passport) with the photo of the person present in real time before the start of the meeting, and keeping the supporting documents for a period of no less than (10) years, and submitting them to the Authority upon request.

- c. A mechanism for recording and preserving the proceedings of the General Assembly meeting by recording them in audio and video (video) for a period of no less than (10) years, and submitting them to the Authority upon request.
- Ensuring that any technical glitch that may occur during the meeting is addressed to ensure the shareholder's continued presence and ability to discuss and vote.
- Re-voting on the resolution if it is not possible to collect the votes of the shareholders present remotely for a reason, defect, or technical malfunction that does not belong to the shareholder himself.

#### **Sixth: Announcement of General Assembly Invitation**

Pursuant to the provisions of Article (174) of Decree-Law, which gave the Authority the power to determine the means of notifying shareholders to the General Assembly meeting, and based on the text of Article (41) of the chairman of Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning the Approval of Public Joint Stock Companies Governance Guide, companies can send general assembly invitations to the company shareholders through text messages (SMS) or e-mail, provided that the Articles of Association shall provide so.

**Seventh: Compliance with the Decree-Law and governance guide  
and the amendments thereto:**

This circular is considered a reminder and confirmation of some of the provisions stipulated in Federal Decree- Law No. (32) of 2013 on Commercial Companies (and the Chairman of the Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning the Approval of Public Joint Stock Companies Governance Guide, as amended. Therefore, listed companies must comply with referring to the aforementioned legislations and following up on any amendments or updates issued subsequent to the issuance of this circular.

**Attachments:-**

- The Chairman of the Authority's Board of Directors' Resolution No. (02/ Chairman) of 2024 Amending the Chairman of the Authority's Board of Directors' Decision No. (3/ Chairman) of 2020 Concerning the Approval of Public Joint Stock Companies Governance Guide, knowing that the above-mentioned Resolution was published in the Official Gazette, Issue (767), issued on 15/01/2024.
- Invitation form to attend the annual general assembly meeting.
- An explanatory disclosure regarding the approval of proxies.
- Form of announcing the opening of candidacy.
- Form of the Candidacy and Remuneration Committee's approval to List of candidates' names.

- Governance report form for the year 2024.
- Governance report data verification form for the year 2024.
- Contact information update form.