



NOMINATION POLICY

Approved by:

On behalf of Al Faleh Educational Group Q.P.S.C.

Al Faleh Educational Holding Q.P.S.C.

Corporate Governance – Nomination Policy

1. Definition

Term	Definition
Authority or QFMA	Qatar Financial Markets Authority
The Company	Al Faleh Educational Holding Q.P.S.C and all its subsidiaries
Board	Board of Directors of The Company
Board Member(s)	Member(s) of the Board including the Chairman, Non-Executive Board Member(s), and Independent Board Member(s) or as stated in the approved Article of Association of The Company.
Depository	Qatar Central Securities Depository
Non-Executive Board Members	A Board member who does not have a full-time management position at The Company or who does not receive wage.
Independent Board Members	A Board member who has complete independence. A Board member shall be considered non-independent, if he or she, for example but not limited to: <ol style="list-style-type: none">1. Owns at least (1%) of shares of the Company or any company of its group.2. Is a representative of a legal person that owns at least (5%) of shares of the Company or any company.3. Has been one of Senior Executive Management of the Company or any company of its group during the year preceding Board election.4. Has a first-degree relative relation with any Board member or Senior Executive Management of the Company, or any company of its group.5. Is a Board member of any company within the Company group in which nominated for its Board membership.6. Has been an employee, during the year preceding Board election, at any of the parties associated with the Company or any of its group such as External Auditors, and main suppliers, or if such member, during the two years preceding the Board election, had controlling shares in any party.

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	7. Has, directly or indirectly, any commercial or financial dealings with the Company or any company of its group during the two years preceding Board election.
Executive Management	The Chief Executive Officer (CEO), and other executive managers reporting directly to him, including heads of internal control units of The Company.
QE	Qatar Stock Exchange

2. Introduction

The Nomination Policy (“**the Policy**”) of the Company sets out formal, rigorous and transparent procedures used by the General Assembly members to elect the fittest among the candidates for board membership. This policy enters into effect once approved by the Ordinary General Assembly meeting of the Shareholders for the first time and remains valid and in full force and effect, with its amendments if applicable, unless revoked by a resolution of the Ordinary General Meeting of Shareholders.

3. Policy Purpose

This policy intends to assess the permanent leadership needs and to ensure the selection of a qualified and capable leaders who are fit to drive its strategic direction expressed in its Vision, Mission, Values and Objectives.

4. Policy Administration

The Nomination and Remuneration Committee (“**the Committee**”) is the custodian of the Nomination Policy and the scope of reviewing the policy is within the jurisdiction of the Committee. This policy and any subsequent developments that are done in the future to enhance it, is/will be endorsed by the Committee and approved by the Board. The implementation of this policy within the Company is overseen by the Committee.

Board Secretary is responsible for reinforcing and supporting Nomination and Remuneration Committee to release and update this policy, and to develop procedures to help implementing the same.

5. Policy Scope

This policy shall be applicable for the nomination of the Company’s Board Members and Executive Management.

6. Nomination for Board Members and Executive Managers

In compliance with The Company's Article of Association (and its amendments thereof) and the applicable QFMA's Governance code and in line to the Company's Board Charter, Board Members must be qualified with sufficient knowledge of administrative matters and relevant experience to perform its duties effectively, and must devote enough time to do its job with integrity and transparency to achieve the Company's interest, goals and objectives. Majority of the Board Members must be Non-executive and the Board shall be composed of at least one-third Independent Board Members

6.1 Membership and Membership Vacancy

The Board membership term is for three (3) years (except for the first Board membership whose term is five (5) years), and in the event that any seat becomes vacant for any reason, then it is necessary to work in accordance with the instructions of the regulatory authorities and the legislation in force, by obtaining the necessary approvals to appoint a replacement member to occupy the remaining term of his/her predecessor, and he/she is required to have the most votes from the shareholders, If an impediment does it, whoever follows him in the ranking will fill the vacancy. . In addition, the new member, with the exception of the independent Board member, shall provide the membership guarantee shares in accordance with the regulations, and the reservation of the shares of the previous member shall continue until the General Assembly approves Financial Statements of the year the member performed his/her duties.

In the event, there is no one to occupy the vacant seat, the Board shall continue with the remaining number of members unless the number is less than five members. But if the number of vacant seats reaches a quarter of the number of Board seats, or the number of members is less than five members, the Board shall invite the General Assembly to meet within two months. From the date the seats become vacant or the number of remaining seats falls below five, to elect a person to fill the vacant seats.

6.2 Nomination for Board Members

(For All Candidates: Independent, Non-Independent, Natural or Legal person)

The nomination, election and confirmation of Board Members shall be in accordance with the process as follows:

- 6.2.1 The Board opens the nomination registration for board membership at least twenty-one (21) days before scheduled date for the Ordinary General Assembly meeting to elect new board members.
- 6.2.2 The nomination period starts by advertising in two (2) local daily newspapers, one in Arabic and the other in English, and on the websites of both the Qatar Stock Exchange and the group, after obtaining the necessary approvals from

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the competent regulatory authorities, to submit applications for candidacy for the membership of the Board.

- 6.2.3 The candidacy shall remain open for a period of no less than (15) days from the date of the announcement, provided that the nomination shall be reopened for another time, if needed, for (3) days.
- 6.2.4 It is worth noting that the original documents must be submitted before the nomination timeframe ends.
- 6.2.5 The Board Secretary shall receive candidacy applications for each candidate and ensure the completeness of the required documents and signatures of the candidates.
- 6.2.6 No candidacy applications received by the Company will not be accepted after the nomination timeframe has ended and the deadlines specified in the call for candidacy announcement have expired.
- 6.2.7 The Nomination and Remuneration Committee, when assessing and shortlisting the nominations received, will ensure that nominees fulfill the criteria stipulated in the QFMA Governance code as follows:
- The Nominees should not be under twenty-one years old with full capacity.
 - The Nominees should not have been sentenced to criminal penalty, or a crime against honor or integrity, or any of the crimes stipulated in Article (40) of Law No. (8) Of 2012 concerning the Qatar Financial Markets Authority, and articles (334) and (335) of law No. (11) Of 2015 Promulgating Commercial Companies Law, or be prevented from practicing any work in the entities subject to the Authority's jurisdiction under Article (35 paragraph 12) of law No. (8) Of 2012 referred to, or have been bankrupted, unless been rehabilitated.
 - The Nominees must be a shareholder owning 0.5% of the total number of shares, when elected, or within thirty days from its election date. Such shares shall be deposited to the Depository within sixty days from starting date of membership with prohibition from trading, mortgage or seize until the end of membership period, approved on the last budget of financial year of doing business. Such shares shall also be allocated to ensure the rights of the Company, shareholders, creditors and third parties for the responsibility of the Board members. If the member does not provide the guarantee as mentioned, its membership becomes invalid. The Independent Member shall be exempted from this requirement.

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- A candidate shall not be a member of the Board of Directors of more than three joint stock companies whose head office is located in the State of Qatar.
- A candidate shall not be a chairman of the board of directors or a vice-chairman in more than two companies whose headquarters are in the State of Qatar.
- A candidate shall not be a managing director of more than one company whose head office is located in the State of Qatar.
- A candidate shall not be a member of the board of directors of two companies with homogeneous activities.
- Satisfy any other requirements of the QFMA and QE with respect to Board composition and eligibility of Board membership, if any.

6.2.8 The Committee reviews the nomination applications and conducts its evaluation of the candidates ensuring the legal requirements are met and suitability. Accordingly the Committee assesses each application and takes into account their ability to carry out their responsibility and the value they will add to the Company, and achieve the interests of the Company and shareholders. The Committee will prepare shortlisted nominees in accordance with the above criteria and requirements.

6.2.9 The final list of shortlisted nominees for board membership will be presented by the Committee to the Board for approval.

6.2.10 The Committee shall ensure that proper credentials are available upon presenting the identified candidate for Board membership.

6.2.11 The Committee has the right to interview any candidate during its evaluation of the candidates' application, and the Chairman of the Board of Directors has the right to do so.

6.2.12 The final list of candidates shall be submitted to QFMA for their final approval, to be disclosed publicly.

6.2.13 The election from the shortlisted nominees for the Board Member(s) will be conducted and confirmed during the Ordinary General Assembly meeting via secret ballot. When voting on the election of members of the Board of Directors, one share shall have one vote, which the shareholder gives to whomever he/she chooses from among the candidates. The shareholder may distribute the voting of his/her shares among more than one candidate, and one share may not vote for more than one candidate.

- 6.2.14 The elections of candidates for the membership of the Board in the General Assembly shall be in accordance with official and strict procedures, conducted under the supervision and presence of representatives of the regulatory authorities, in addition to the Company's external auditor.
- 6.2.15 The election process is carried out by means of ballots issued by the Company, updated with the names of the candidates according to their alphabetical order. Shareholders vote in a box designated for this purpose under the supervision of representatives of the regulatory authorities. The box is opened before the election to ensure that it is free of any "voting" electoral papers. Then it is closed by the external auditor and the shareholders are invited to vote. Upon completion, the box is opened under the supervision of representatives of the regulatory authorities and the external auditor.
- 6.2.16 The external auditor announces the winners of the membership of the Board of Directors, in descending order, from those who obtained the most number of votes to the least number.
- 6.2.17 Members who did not win are automatically referred to the Board's reserve according to the order of their votes.
- 6.2.18 In the event that the legal person is represented by a natural person in the Board, and if the legal person desires to replace his/her natural representative, he/she may do so at any time, provided that the solvency, suitability and general conditions of the natural person stipulated apply, and provided that the regulatory authorities agree to this, disclose this next general assembly to ratify it.
- 6.2.19 Evidence of compliance with the procedure set herein shall be maintained by the Committee.

6.3 Grievance Mechanism

- 6.3.1 The candidate shall have the right to appeal within a maximum of (5) working days from the date of disclosing the final list of the names of the candidates who meet the conditions in the event his/her candidacy application is rejected, as follows:
1. Rejection of the candidate by one of the regulatory authorities.
 2. Rejection of the candidate by the Board of Directors for not meeting the criteria and conditions, based on the recommendation of the Nomination and Remuneration Committee.
- 6.3.2 **In the first case**, the grievance request cannot be submitted by the candidate, since the decision of rejection was issued by a regulatory authority.

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6.3.3 **In the second case**, the grievance request is submitted to the Board Secretary to be presented to the Chairperson, who issues his/her decision in this regard within a maximum of three working days. The decision of the Chairperson is final.

6.4 Nomination for Executive Management

6.4.1 It is the role of the Nomination and Remuneration Committee to nominate whom it deems fit to fill any job in the Executive Management. The Committee shall actively liaise with the HR to review the requirements for Executive Management personnel.

6.4.2 The Committee shall convene a meeting to examine the qualifications of the candidates on the basis of the job description. The Committee then submits the recommendations of, and relevant information on, the relevant candidate(s) to the Board before the selection of employees.

7. Policy Review

This policy will be subject to regular reviews and updates as appropriate. Nomination and Remuneration Committee is responsible for ensuring that this policy is updated to reflect revisions and any approved changes thereof.

Any amendment to this policy will be conducted through a policy review process to be initiated and endorsed by Nomination and Remuneration Committee and approved by the Board.